Notice of Special Called Meeting
The Board of Trustees
Fort Bend Independent School District

Monday, July 24, 2023

This is Notice that the Fort Bend Independent School District Board of Trustees will hold a Special Called Meeting on Monday, July 24, 2023, beginning at 6:00 PM in the Board Room of the Fort Bend ISD Administration Building, 16431 Lexington Blvd., Sugar Land, TX 77479.
The agenda packet for the meeting is available at https://meetings.boardbook.org/Public/Organization/649.

Members of the public may view the live stream of the meeting at the following address:
https://www.fortbendisd.com/Page/124962

1. Call to order

2. National Anthem

3. Moment of Silence

4. Recognitions 5

5. Superintendent Update

6. Board Member Reports
   A. Board Activity Report
   B. Board Committee Reports
      1. Budget Committee
      2. Policy Committee

7. Public Comment

8. Information

   A. 2023-24 Budgetary, Legislative and Compensation Update 6
   B. 2023 A-F Accountability System Presentation 18

9. Action

   A. **Fort Bend ISD Board of Trustees Meetings Minutes:** Consideration and approval of the minutes of Fort Bend ISD Board of Trustees meetings and/or public hearings on the following dates: **42**
      1. March 27, 2023 TAPR Public Hearing 43
      2. March 27, 2023 Regular Business Meeting 45
      3. April 3, 2023 Agenda Review Workshop 56
      4. April 12, 2023 Bond Procurement Workshop 63
      5. April 17, 2023 Regular Business Meeting 65

B. **Policy EHBB (Local), Special Programs - Gifted and Talented Students:** Consideration and approval of proposed adoption and revision of local policy EHBB (Local). **79**

C. **Voting Delegate and Alternate to TASB Delegate Assembly:** Consideration and approval of a voting delegate and alternate for participation in the Texas Association of School Boards' (TASB) Annual Delegate Assembly to be held in conjunction with the TASA/TASB conference in September 2023. **86**

D. **Student Code of Conduct:** Consideration and approval of the Student Code of Conduct for the 2023-24 school year. **87**

E. **Commercial Paper:** Consideration and approval of a second amended and restated order authorizing, establishing, approving, confirming, and ratifying of the Fort Bend Independent School District Unlimited Tax Commercial Paper Program ("Order") and the issuance of commercial notes from time to time thereunder. **187**

F. **Interlocal Agreement regarding Exposure Excellence Youth Program:** Consideration and approval of a revised Interlocal Agreement between Fort Bend ISD, Fort Bend County and Fort Bend County Juvenile Board for the 2023-24 school year regarding the Exposure Excellence Youth Program. **571**

G. **Interlocal Agreement regarding Saved by the Bell:** Consideration and approval of a revised Interlocal Agreement between Fort Bend ISD, Fort Bend County and Fort Bend County Juvenile Board for the 2023-24 school year regarding the Saved by the Bell truancy program. **579**

H. **Memorandum of Understanding (MOU) for Juvenile Justice Alternative Education Program (JJAEP):** Consideration and approval of the MOU for the JJAEP among Fort Bend County Juvenile Probation Board, Fort Bend ISD (FBISD), Stafford MSD (SMSD), and Alief ISD (AISD). **586**

I. Consideration and approval of proposed expenses that exceed $50,000: Specifically for:

1. **Ferndell Henry DAEP Relocation to MR Wood:** Consideration and approval of a construction services agreement with Job Order Contractor (JOC) E Contractors to perform the necessary renovation at M.R. Wood to prepare the building for relocation of staff and students from Ferndell Henry Center or Learning (FHCL), for a not-to-exceed amount of $650,000 and authorization for the Superintendent to negotiate and execute or terminate the agreement. **600**

2. **Music Instruments and Related Items (Supplemental):** Consideration and approval for the purchase of music instruments and related items and authorization for the Superintendent to negotiate and execute the contracts through July 2027. **602**

3. **Nursing Services (Supplemental):** Consideration and approval for the purchase of nursing services from multiple vendors and authorization for the Superintendent to negotiate and execute the agreements through April 2027. **608**

4. **Communities in Schools Houston (CISH):** Consideration and approval for the purchase of student support services in an amount not to exceed $591,140 and authorization for the Superintendent to negotiate and execute the agreement through June 2024. **613**

5. **Commercial Warehouse and Food Distribution Service for USDA Foods:** Consideration and approval for the purchase of commercial warehouse and food distribution services for United States Department of Agriculture (USDA) foods from Gold Star Foods, Inc. through an interlocal agreement with the Texas Department of Agriculture (TDA) in an amount not-to-exceed $300,000, and authorization for the Superintendent to negotiate and execure the agreement thru May 2025. **616**

6. **Budget Amendment Technology Projects:** Consideration and approval of a budget amendment to transfer $6,209,024 between Information Technology projects. **618**

7. **Bond Program Contingency Funds:** Consideration and approval for the use of 2018 Bond Program Contingency as proposed. **620**

8. **Elevator Service, Maintenance, Repair and Related Items (Supplemental):** Consideration and approval for the purchase of elevator service, maintenance, repair, and related items through the Central Texas Purchasing Alliance contract from Elevator Transportation Services, Inc. and authorization for the Superintendent to negotiate and execute the agreement through January 2025. **622**

9. **Work Uniforms, Related Items and Services:** Consideration and approval for the purchase of work uniforms, related items and services from multiple vendors in an amount not-to-exceed $445,472 and authorization for the Superintendent to negotiate and execute the agreements through July 2028. **625**

10. **UT OnRamps Program:** Consideration and approval of UT OnRamps Program from the University of Austin in an amount not-to-exceed $250,000 and authorization for the Superintendent to negotiate and execute the agreement through August 2024. **630**

10. Convene in closed session under Texas Open Meetings Act, Texas Government Code, Chapter 551 under the following sections: 551.071 - For the purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized by law; Section 551.072 - Consider purchase, exchange, lease, or value of real property, Section 551.074 - Personnel matters, Section 551.076 - Security matters, Section 551.082 - Student discipline matter or complaint, or Section 551.0821 - Personally identifiable information about public school student

A. Deliberate Executive Director of Student Affairs recommendation.
B. Deliberate Assistant Superintendent - Elementary recommendation.
C. Deliberate recommendation regarding transfer of a student who engaged in bullying.
D. Deliberate an Amendment to the Superintendent's Contract.

11. Reconvene in Open Session

12. Consider Action on Closed Session Items

13. Adjournment

If, during the meeting, discussion of any item on the agenda should be held in a closed meeting, the Board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Government Code, Chapter 551, Subchapters D and E or Texas Government Code section 418.183(f). Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in an open meeting. [See BEC (LEGAL)]

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

Goal 1: Fort Bend ISD will provide rigorous and relevant curriculum and deliver instruction that is responsive to the needs of all students.
Goal 2: Fort Bend ISD will provide a positive culture and climate that provides a safe and supportive environment for learning and working.
Goal 3: Fort Bend ISD will recruit, develop, and retain high quality teachers and staff.
Goal 4: Fort Bend ISD will engage students, parents, staff, and the community through ongoing communication, opportunities for collaboration and innovation, and partnerships that support the learning community.
Goal 5: Fort Bend ISD will utilize financial, material, and human capital resources to maximize district outcomes and student achievement.

For: Fort Bend ISD Board of Trustees
Date: July 24, 2023
Action: Recognitions
Department: Communications

Recommendation

The Administration recommends that the Board recognize:

- Travis High School student for winning 3rd place at the UIL State Track & Field Meet

Summary

Travis High School student, Javaris Bonner, is being recognized for winning 3rd place in the 400 meters at the UIL State Track and Field Meet.

Recommended by:

Christie Whitbeck
Superintendent of Schools

Submitted by:

Kimberly Smith
Chief Communications Officer

For: Fort Bend ISD Board of Trustees
Date: July 24, 2023
Action: Information: Budgetary, Legislative and Compensation Update
References: Board Policy CE (Legal)
Board Policy CFA (Business and Finance)
Department: Executive Leadership Team

Summary

Staff will provide an update on budgetary, legislative and compensation items for the 2023-24 school year. New information is available based on the outcome of the second special legislative session that adjourned on July 12, 2023.

Recommended by:

Christie Whitbeck
Superintendent of Schools

Submitted by:

Bryan Guinn
Chief Financial Officer

FBISD
INSPIRE • EQUIP • IMAGINE

2023-24 Budgetary, Legislative and Compensation Update

July 24, 2023

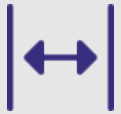
Key 2023-24 Budget Accomplishments

- Balanced budget
- 90-day operating reserve
- Reductions totaling ~$40M made over 2 years
- Retention/recruitment supplement
  - » $1,500 for staff on teacher pay scale (+$500 step)
  - » $1,000 for non-teaching staff
  - » $500 for part-time staff

8

Why are we talking about compensation now?

State has not provided any indication on when or if they will address teacher compensation?



The pay gap between FBISD and other area districts increased because many adopted pay raises for 2023-24

9

Any action the state takes will not decrease the pay gap

FBISD needs to remain competitive on teacher and staff compensation

How does FBISD teacher pay compare?

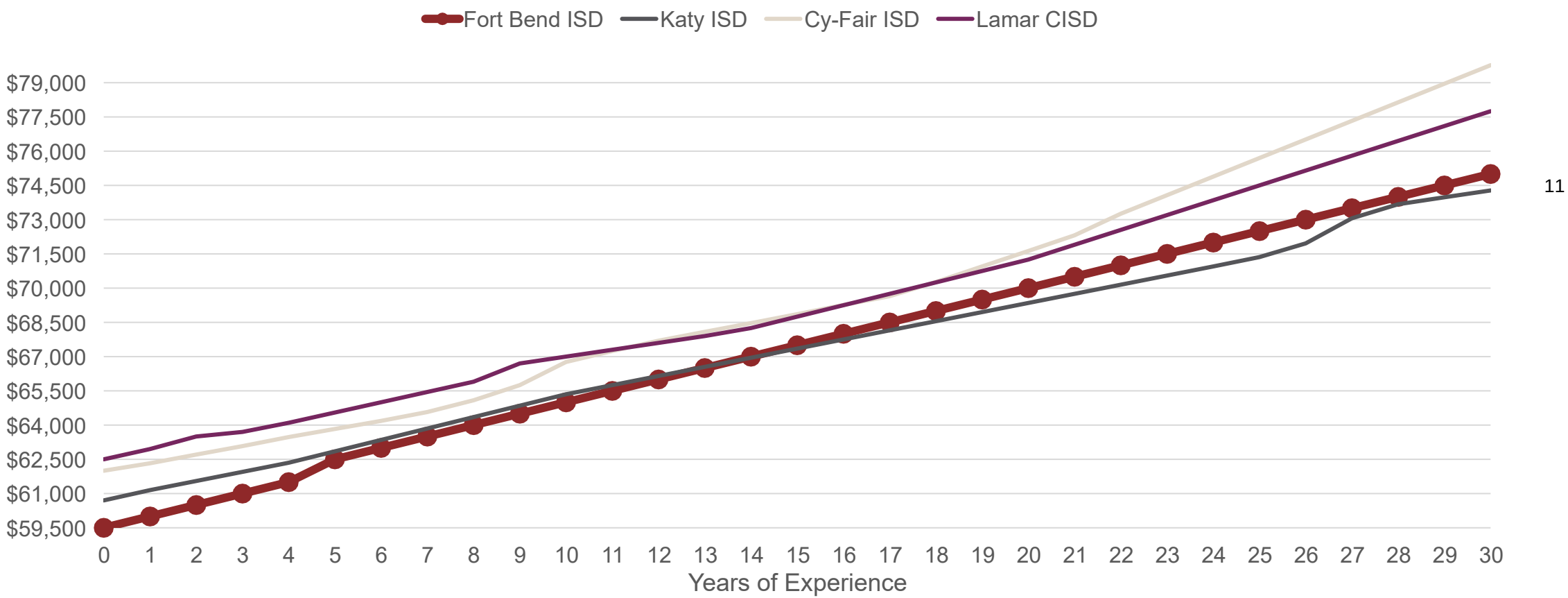
- More than half of districts increased teacher pay for 2023-24
- Increases averaged 2% - 3%
- Some districts adopted deficit budgets to include raises
- FBISD is the only large district with starting pay below $60k

District	Starting Teacher Pay	
Lamar CISD	$62,500	⬆
Aldine ISD	$62,500	⬆
Pasadena ISD	$62,456	⬆
Alief ISD	$62,000	⬆
CyFair ISD	$62,000	⬆
Spring Branch ISD	$62,000	
Houston ISD*	$61,500	
Alvin ISD	$61,100	⬆
Katy ISD	$60,700	
Pearland ISD	$60,500	⬆
Klein ISD	$60,000	*
Fort Bend ISD	$59,500	

10

* Klein ISD approved a 4% increase for teachers but did not increase starting teacher pay

2023-24 Teacher Pay Scale Comparison



11

How can compensation be increased without state action?

VATRE

12

+

= $25m

State revenue share = $14M

What's the tax bill impact of a 2¢ VATRE with new legislation?

	Current Rate	Senate Bill 2	2¢ VATRE
Assessed Value	$370,630	$370,630	$370,630
Homestead Exemption	-40,000	-100,000	-100,000
Taxable Value w/HSE	**$330,630**	**$270,630**	**$270,630**
Tax Rate	$1.1346	$1.0180	$1.0380
Tax Bill	**$3,752**	**$2,755**	**$2,809**
Change from Current		-$997	-$943
VATRE Annual Impact			**$54**

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Why talk about this now?

- VATREs must be conducted in November
- VATRE must be called 78 days prior to election (Aug 21)
- If that timeline is not met, VATRE cannot occur

14

Option for Consideration

Conduct a public opinion survey prior to August 21

Use outcome to determine next steps

15

Accuracy of Bond Survey vs. Actual Election Results

Proposition	Predicted	Actual
A – General	68%	65.7%
B – Technology	68%	66.6%
C – Natatorium	55%	56.7%

16

Questions?

17

For: Fort Bend ISD Board of Trustees
Date: July 24, 2023
Action: Information: 2023 A-F Accountability System
References: Board Policy AIA (Legal) and AIB (Legal)
Department: Accountability, Assessment, & Compliance

Summary

The Administration will provide an overview of the updates to the 2023 A-F Accountability system.

Background

Texas Education Code (TEC), §39.053, as referenced in Board Policy AIA (Legal) and AIB (Legal), requires the commissioner to adopt a set of indicators of the quality of learning and achievement, including three domains of achievement indicators, and requires adoption of indicators of the quality of learning for the purpose of preparing performance reports as part of the A-F Accountability system.

Districts and campuses must be evaluated based on indicators of achievement grouped in three domains:

- Student achievement domain;
- School progress domain; and
- Closing the gaps domain.

As part of the cycle of review and revision of the accountability system, the Texas Education Agency (TEA) conducts an update to the accountability manual annually and engages in a large-scale update with significant changes every five years.

The last major overhaul happened in 2017 when the A-F system was introduced. For 2023, TEA has proposed significant changes to the rating system. Additionally, the agency has created 2022 “What If” reports for districts. The “What If” reports take 2022 data and apply it to the 2023 accountability system changes. The 2022 “What If” reports will be made public in September 2023 as a comparison for the 2023 campus and district ratings in an attempt to provide a better comparison between years after the rules for accountability change so significantly.

Recommended by:

Christie Whitbeck
Superintendent of Schools

Submitted by:

Kimberly Lawson
Chief Academic Officer

FBISD
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2023 A-F Accountability System Changes Overview

Monday, July 24, 2023

STAAR®
State of Texas Assessments of Academic Readiness

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01 2023 A-F Refresh: System Changes

02 Impacts of Change: What If Reports

03 Questions

Texas Education Agency

2023 Refresh: System Changes

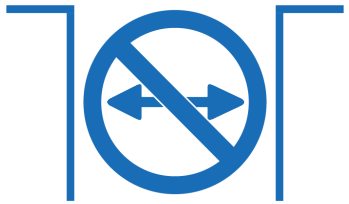
A-F is a tool to help meet continuously improved goals for students

According to state law, the purpose of *A-F* accountability is:

- **to continuously improve student performance**
- **eliminating achievement gaps** based on race, ethnicity, and socioeconomic status
- to ensure this state is a national leader in **preparing students for postsecondary success.**

Improve Student Performance

Eliminate Achievement Gaps

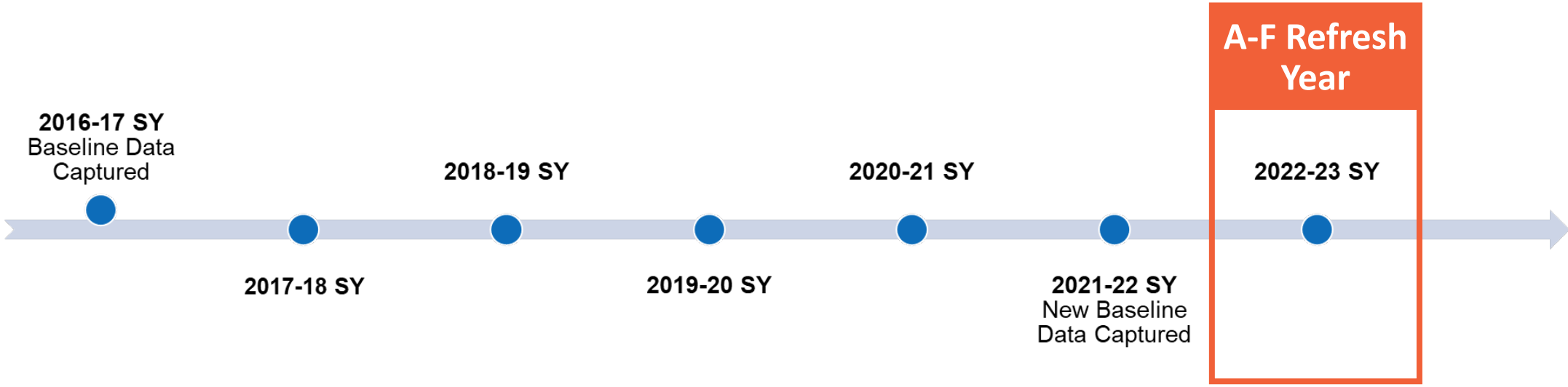


Prepare Students for Postsecondary Success

Fostering a **culture that supports growth** and continuous improvement when this performance information is public is a difficult but **critical task for education leaders.**

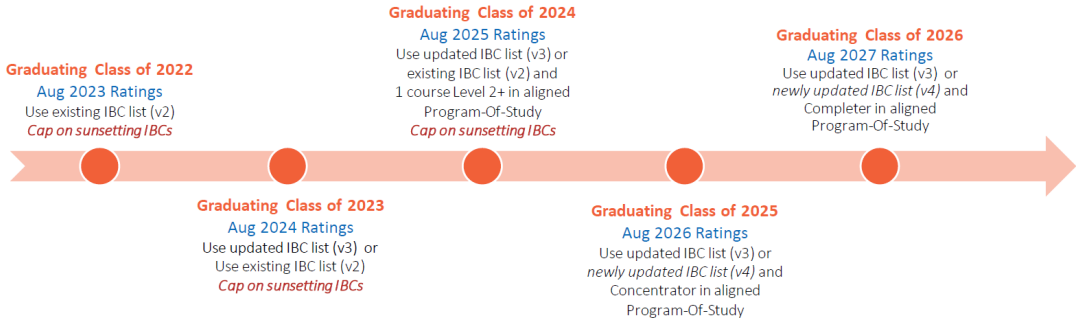
The *A-F* system has stayed the same during the past 5 years, but statute requires updates to meet goals for students

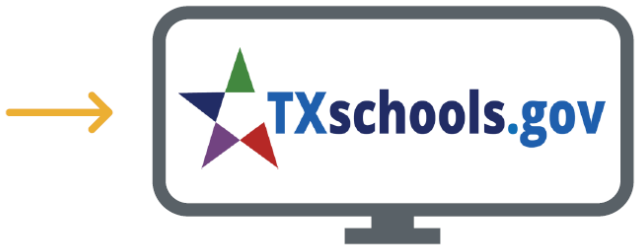
- To help school leaders reflect on performance improvements, A-F cut points have remained unchanged since launched in 2017.
- But A-F indicators must be updated given statutory requirements guiding the goals of the system. 2023 is the year for those changes.

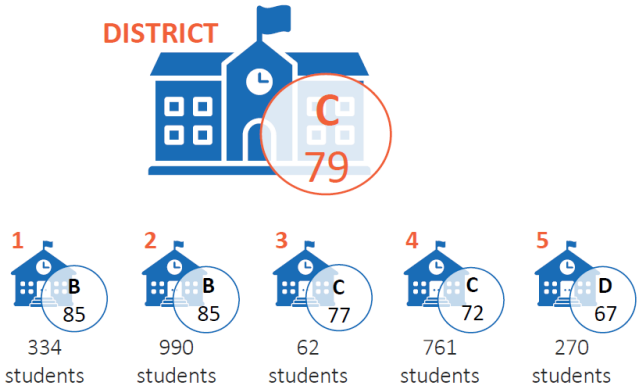


2023 A–F Refresh: Changes

1. Update cut points and targets
2. Update CCMR indicators
3. Improve ability to recognize growth
4. Narrow the focus within Closing the Gaps (Domain 3)
5. Update overall district rating methodology
6. Create a unique alternative education accountability (AEA) system
7. Add new performance data to TXschools.gov and TPRS







Texas Education Agency

Impacts of Change: What If Reports

What is "What If"? Why is a "What If" needed?

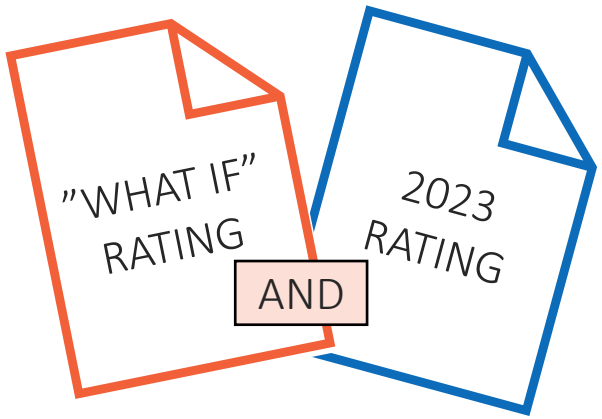
- 2022 ratings and 2023 ratings are using different methodologies.
- Because of the *A-F* Refresh:
  - SY 2022-23 ratings will be based on a different set of rules than previous *A-F* ratings.
  - 2022 ratings and 2023 ratings cannot be compared side-by-side.
  - It is possible a campus with an *A* rating in 2022 may improve in 2023…
    - …and yet receive a *B* rating.

It's not a **simple apples-to-apples comparison** this year.

Because of this, TEA is providing districts *preliminary* "What If" ratings

- "What If" ratings are preliminary versions of campus and district ratings using the new *A-F* methodology in order to view 2022 results under the refreshed framework.
- "What If" preliminary ratings ***do not*** replace 2022 ratings. They are another tool to support continuous improvement moving forward.
- The 2023 Accountability Manual is open for public comment until June 20, 2023, so "What If" ratings released on May 31st to districts are ***preliminary***.
- Because they are preliminary, they are being shared with districts directly, and are not yet being publicly published.

In Fall 2023, TEA will publicly share "What If" ratings with 2023 ratings



- "What If" final versions of campus and district ratings from 2022, using the new *A-F* methodology will be shared alongside 2023 ratings in Fall 2023.
- This will allow board members, educators, parents and the public to get a sense of whether performance ratings issued in 2023 represent higher, lower, or similar performance as ratings issued in 2022 to support continuous improvement moving forward.

TXSchools.gov will provide an **apples-to-apples comparison** of ratings under the refreshed cut points & methodology in Fall 2023.

Preview of Preliminary "What If" Ratings

Let's get familiar with changes to A-F

Example "What If" ratings for Elementary/Middle School Campus

	2022 Score	What If Score (2022 data & 2023 methodology)	Changes to methodology
Domain 1 Student Achievement	77	77	No change for elementary and middle schools.
Domain 2 Student Progress	92	91	No change in methodology. Continues to be best of Domain 2a and 2b.
Domain 2a Academic Growth	92	91	Updates methodology to capture growth for more students and includes learning acceleration.
Domain 2b Relative Performance	85	85	No change for elementary and middle schools.
Best of Domain 1 and Domain 2	92	91	No change in methodology. 70% of overall rating continues to be the best of Domain 1 and 2.
Domain 3 Closing the Gaps	100	93	Includes more students with a minimum size of 10. Moves from a yes/no to a 0-4 methodology to improve differentiation. Tabulations now focus on just the student groups most in need. Aligned with updated long-term targets.
Overall	94	93	If a school has <70 in 3 out of the 4 areas (Domain 1, Domain 2a, Domain 2b, Domain 3), the highest overall they can receive is a 69.*

EXAMPLE "What If" ratings for High School School Campus

	2022 Score	What If Score (2022 data & 2023 methodology)	Changes to methodology
Domain 1 Student Achievement	86	76	High schools and K-12s have increased standards for college, career, and military readiness and graduation rates.
Domain 2 Student Progress	85	80	No change in methodology. Continues to be best of Domain 2a and 2b.
Domain 2a Academic Growth	78	79	Updates methodology to capture growth for more students and includes learning acceleration.
Domain 2b Relative Performance	85	80	High school recalculated given recent improvements in college, career, and military readiness.
Best of Domain 1 and Domain 2	85	80	No change in methodology. 70% of overall rating continues to be the best of Domain 1 and 2.
Domain 3 Closing the Gaps	77	66	Includes more students with a minimum size of 10. Moves from a yes/no to a 0-4 methodology to improve differentiation. Tabulations now focus on just the student groups most in need. Aligned with updated long-term targets.
Overall	83	76	If a school has <70 in 3 out of the 4 areas (Domain 1, Domain 2a, Domain 2b, Domain 3), the highest overall they can receive is a 69.*

2022 "What If" ratings for District

Domain Roll-up from Campuses*	2022 Score	What If Score (2022 data & 2023 methodology)	Changes to methodology
Domain 1 Student Achievement	89	80	District score determined based on proportionate scores from all campuses.
Domain 2 Student Progress	89	79	No change in methodology. Continues to be best of Domain 2a and 2b.
Domain 2a Academic Growth	90	78	District score determined based on proportionate scores from all campuses.
Domain 2b Relative Performance	89	79	District score determined based on proportionate scores from all campuses.
Best of Domain 1 and Domain 2	89	79	No change in methodology. 70% of overall rating continues to be the best of Domain 1 and 2.
Domain 3 Closing the Gaps	88	79	District score determined based on proportionate scores from all campuses.
Overall	89	80	Continues rule for cap of 89 for those with any campus below 70 overall and adds cap of 69 if a district has <70 in 3 out of the 4 areas (Domain 1, Domain 2a, Domain 2b, Domain 3).*

Preliminary "What If" ratings viewed statewide for context

Note: The accountability manual was open for public comment until June 20, so "What If" ratings are *preliminary.*

Campuses	2021-22 Ratings Stay the Same	2021-22 Ratings Decrease	2021-22 Ratings Increase
Number	5924	2467	575
Percentage	66%	28%	6%

Across the state, when viewing preliminary "What If" ratings:

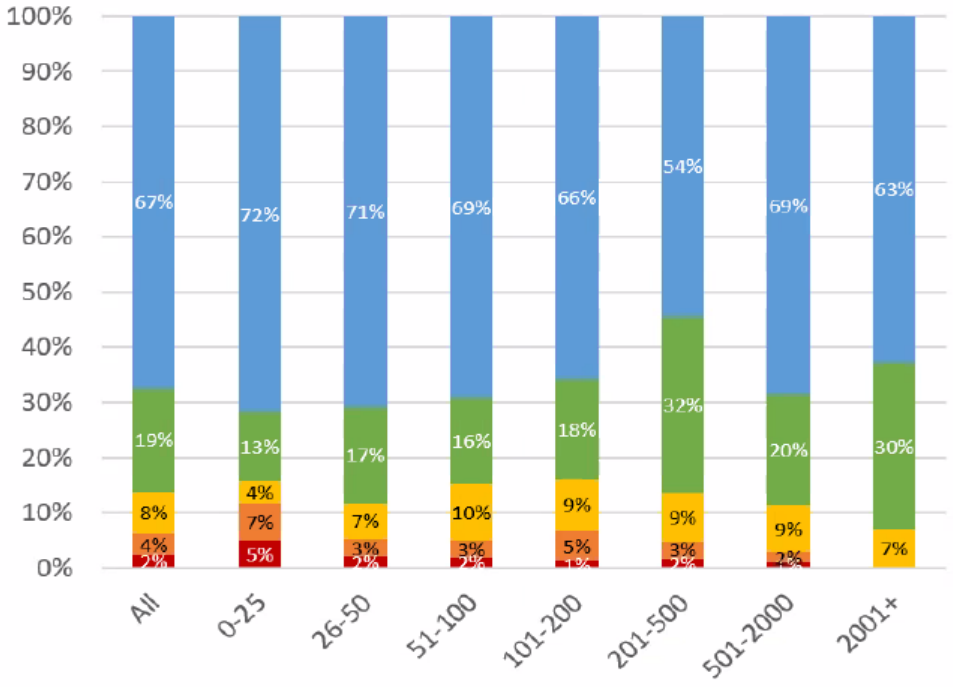
- Applying the *A-F* Refresh methodology to 2021-22 performance causes some campus ratings to go up, some ratings to go down, and some ratings to remain unchanged.
- 575 campuses would have a higher *preliminary* "What If" rating than their actual 2022 final rating.

Impacts on Large Urban/Suburban Districts

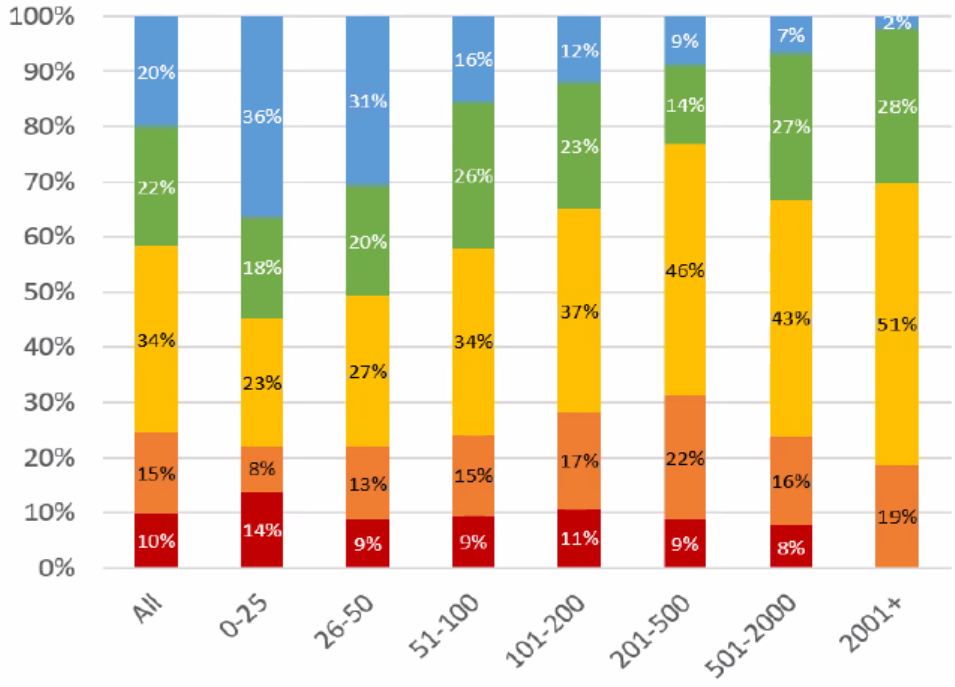
Changing the *A* cut-point for CCMR does not disproportionately impact smaller campuses

"What If?"

Current CCMR results by size of 2021 graduating class



CCMR results by size of 2021 graduating class with proposed 88% *A* cut-point



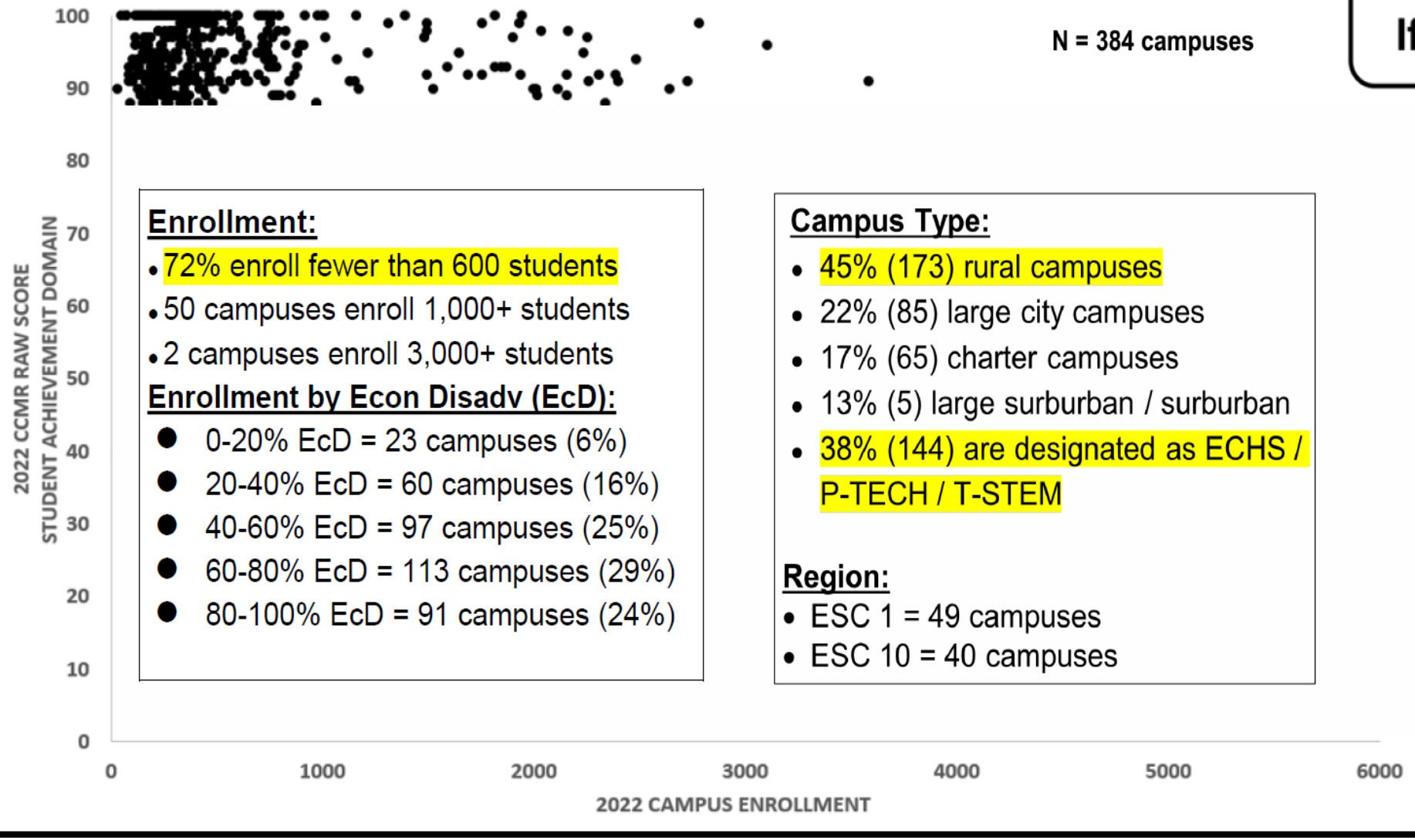
LEGEND				
A	B	C	D	F

N-COUNTS BY SIZE OF GRADUATING CLASS	
0-25	223
26-50	195
51-100	224
101-200	149
201-500	125
501-2000	105
2001+	43

Source: TEA Commissioner Morath's presentation to TSA Legislative Committee. 1-27-2023

Impacts on Large Urban/Suburban Districts

What if the CCMR cut-point is increased from 60=A to 88=A?



What If?

Enrollment:

- 72% enroll fewer than 600 students
- 50 campuses enroll 1,000+ students
- 2 campuses enroll 3,000+ students

Enrollment by Econ Disadv (EcD):

- 0-20% EcD = 23 campuses (6%)
- 20-40% EcD = 60 campuses (16%)
- 40-60% EcD = 97 campuses (25%)
- 60-80% EcD = 113 campuses (29%)
- 80-100% EcD = 91 campuses (24%)

Campus Type:

- 45% (173) rural campuses
- 22% (85) large city campuses
- 17% (65) charter campuses
- 13% (5) large surburban / surburban
- 38% (144) are designated as ECHS / P-TECH / T-STEM

Region:

- ESC 1 = 49 campuses
- ESC 10 = 40 campuses

Source: Texas School Alliance, January 2023

Next Steps

- This preliminary "What If" presentation is meant to help inform.
- As a school board, there is nothing you need to do right now.
- When 2023 *A-F* ratings are released to the public in September, as a board member, you should use the ***final*** "What If" ratings to compare with the 2023 ratings.

Share the Message

It's not a **simple apples-to-apples comparison** this year.

2023 A-F Communications Timeline

MAY

- **May 31:** Preliminary "What If" ratings / communications resources released to districts via TEAL
- **May 31:** EOC performance levels available to districts

JUNE

- **June 9:** *A–F* Estimator released to districts
- **June 20**: *2023 Accountability Manual* public comment period closes
- **June 30:** EOC results published in Family and Analytic Portals

AUGUST

- **August 11:** STAAR 3-8 performance levels available to districts
- **August 16:** STAAR 3-8 assessment results published in Family and Analytic Portals

SEPTEMBER

- **Early September:** Final *2023 Accountability Manual* adopted into rule and appendices released
- **Early September:** 2023 *A–F* district communications toolkit (resources for communicating 2023 accountability ratings)
- **September 26:** 2023 *A–F* ratings released to districts via TEAL
- **September 28:** 2023 *A–F* ratings released publicly (e.g., press release, TXschools.gov)

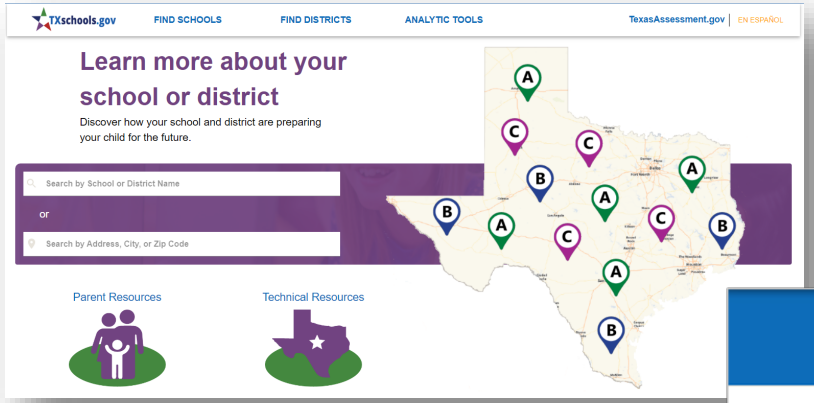
TEA's communications about 2023 ratings will include the use of "What If" ratings to communicate growth

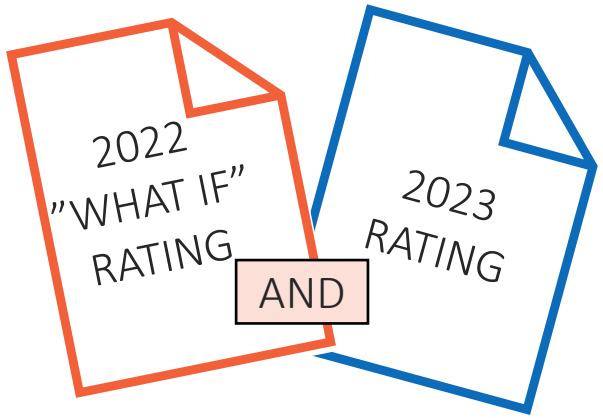
- In Fall 2023, TEA will provide comparisons of 2023 ratings to the "What If" version of 2022 ratings, rather than actual 2022 ratings:
  - In the TEA Press Release in September
  - In TEA Communications with members of the media
  - On TXSchools.gov, TEA will show 2023 ratings alongside 2022 "What If" ratings

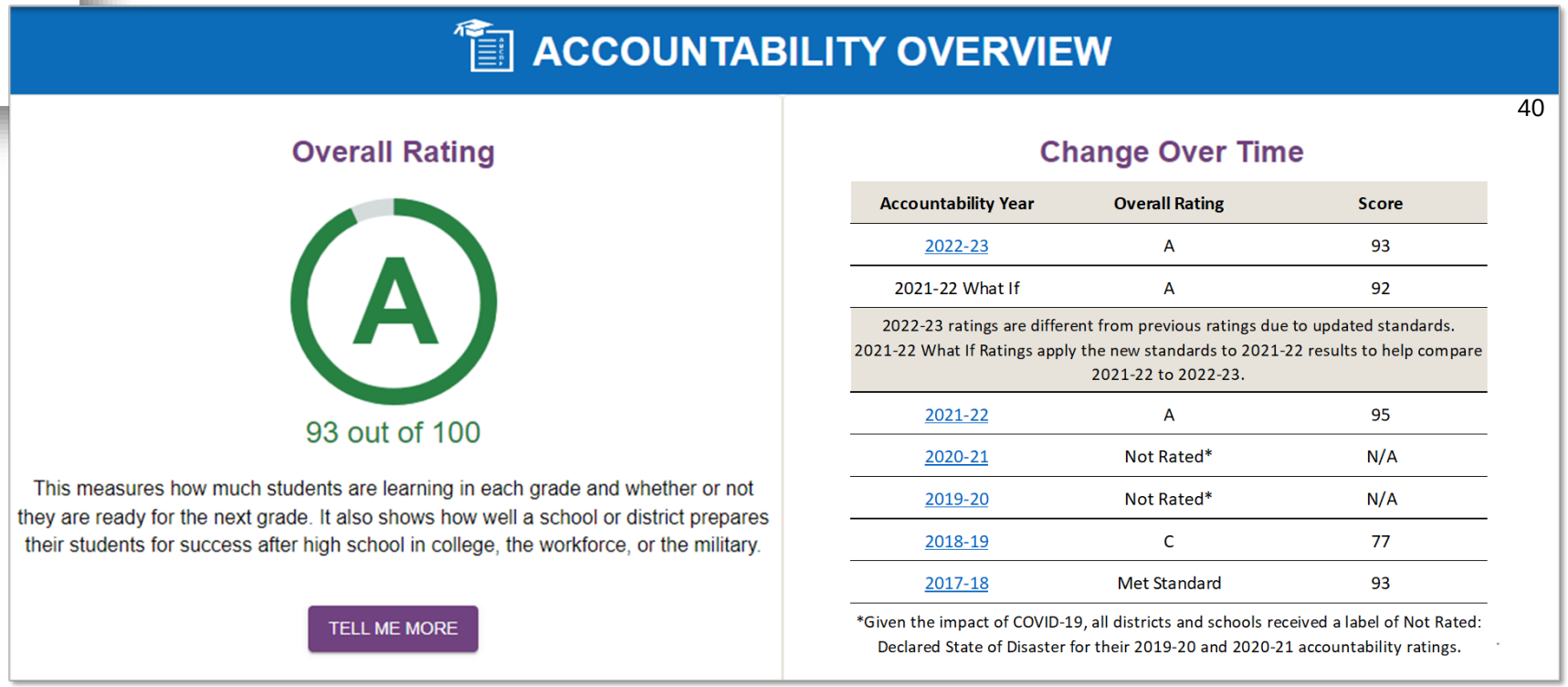
- Downloadable statewide accountability ratings excel file will also include "What If" ratings.

TXSchools.gov will provide an **apples-to-apples comparison** of ratings under the refreshed cut points & methodology in Fall 2023.

TEA's communications about 2023 ratings will include the use of "What If" ratings to communicate growth







Texas Education Agency

Thank You

For: Fort Bend ISD Board of Trustees
Date: July 24, 2023
Action: Consideration and Approval: Board of Trustees Meeting and Hearing Minutes
Reference: Board Policy BE (Local)
Department: Legal Services

Recommendation

Consideration and approval of the minutes of Fort Bend ISD Board of Trustees meetings and/or public hearings on the following dates:

- March 27, 2023 TAPR Public Hearing
- March 27, 2023 Regular Business Meeting
- April 3, 2023 Agenda Review Workshop
- April 12, 2023 Bond Procurement Workshop
- April 17, 2023 Regular Business Meeting

Summary

Board Policy BE (Local) states, “Board action shall be carefully recorded by the Secretary or clerk; when approved, these minutes shall serve as the legal record of official Board actions. The written minutes of all meetings shall be approved by vote of the Board and signed by the President and the Secretary of the Board.” Following this policy, the Administration submits the meeting minutes for the Board’s approval.

Recommended by:

Christie Whitbeck
Superintendent of Schools

Submitted by:

Coby Wilbanks
General Counsel

Minutes
Fort Bend ISD Board of Trustees
Special Called Meeting
March 27, 2023

A Special Called Meeting of the FBISD Board of Trustees was held on Monday, March 27, 2023 beginning at 5:35 p.m. in the Board Room of the Administration Building located at 16431 Lexington Blvd., Sugar Land, Texas. The Live Stream of the meeting was available at: https://www.fortbendisd.com/boardmeetinglivestream.

The meeting was recorded as required by law, and the recording is available to the public at: https://fortbendisd.new.swagit.com/videos/222886

The agenda packet for the meeting can be found here: https://meetings.boardbook.org/Public/Agenda/649?meeting=573671

Presiding Officer.....Mrs. Judy Dae, Vice President

Board Members Present
Dr. Shirley Rose-Gilliam, Secretary
Mr. Rick Garcia
Mr. David Hamilton
Mrs. Angie Hanan
Ms. Denetta Williams
Note: Mrs. Kristen Davison Malone, Board President, joined the meeting in progress at 5:36 p.m.

School Officials Present
Dr. Christie Whitbeck, Superintendent of Schools
Beth Martinez, Deputy Superintendent
Bryan Guinn, Chief Financial Officer
Glenda Johnson, Chief Human Resources Officer
Dr. Kimberly Lawson, Chief Academic Officer
Dr. Kwabena Mensah, Chief of Schools
Long Pham, Chief Information Officer
Christopher Juntti, Interim Chief Operations Officer
David Rider, Chief of Police
Robert Scamardo, General Counsel
Amanda Bubela, Recording Secretary (virtual)

Others Present
Rick Morris, Board Counsel
FBISD Staff and Employees

1. Meeting Called to Order

Vice President Dae called the meeting to order at 5:35 p.m. and announced the presence of a quorum.

2. Information

A. Staff will present the District's 2021-22 Texas Academic Performance Report (TAPR)

Dr. Kimberly Lawson shared that FBISD was holding the annual public hearing to review the 2021-22 District Annual Report, which includes the Texas Academic Performance Report (TAPR) and other data, and introduced Lisa Coston, FBISD's Director of Accountability, Assessment, and Compliance, to provide an overview of the annual report.

As part of the overview, Coston shared information about the purpose and requirements of the district's annual report and reviewed each of the eight sections that comprise the FBISD annual report, which include:

1. 2021-22 Texas Academic Performance Report (PDF TAPR)
2. PEIMS Financial Standard Report (2020-21 Financial Actual Report)
3. 2021-22 District Accreditation Status
4. District & Campus Performance Objectives
5. Report on Violent or Criminal Incidents on Campus
6. Student Performance in Postsecondary Institutions
7. HB3 Goals & District/Campus Progress on Board Adopted Goals/Objectives
8. 2021-22 TAPR Glossary

Coston shared that statute requires that FBISD publish an annual report that includes the PDF TAPR and other required information, that the Board of Trustees holds a public hearing to discuss the annual report, and that the annual report is published within two weeks of the public hearing.

Coston reported that the annual report, similar to that of a public corporation, summarizes data that has been reported in a variety of ways throughout a particular year.

After providing an overview of each of the eight sections, Coston and other FBISD staff members responded to questions from Board members, and Board members provided comments and feedback on the data presented.

3. Public Comments

No members of the public addressed the Board.

4. Adjournment

Having no further business before the Board, MOTION was made by Hanan to adjourn the meeting at 7:00 p.m.

Judy Dae, President | David Hamilton, Secretary

Minutes
Fort Bend ISD Board of Trustees
Regular Business Meeting
March 27, 2023

A Regular Business Meeting of the FBISD Board of Trustees was held on Monday, March 27, 2023 beginning at 7:07 p.m. in the Board Room of the Administration Building located at 16431 Lexington Blvd., Sugar Land, Texas. The Live Stream of the meeting was available at: https://www.fortbendisd.com/boardmeetinglivestream.

The meeting was recorded as required by law, and the recording is available to the public at: https://fortbendisd.new.swagit.com/videos/222889.

The agenda packet for the meeting can be found here: https://meetings.boardbook.org/Public/Agenda/649?meeting=563972.

Presiding Officer.....Mrs. Kristen Davison Malone, President

Board Members Present
Mrs. Judy Dae, Vice President
Dr. Shirley Rose-Gilliam, Secretary
Mr. Rick Garcia
Mr. David Hamilton
Mrs. Angie Hanan
Ms. Denetta Williams

School Officials Present
Dr. Christie Whitbeck, Superintendent of Schools
Beth Martinez, Deputy Superintendent
Bryan Guinn, Chief Financial Officer
Glenda Johnson, Chief Human Resources Officer
Dr. Kimberly Lawson, Chief Academic Officer
Dr. Kwabena Mensah, Chief of Schools
Long Pham, Chief Information Officer
Christopher Juntti, Interim Chief Operations Officer
David Rider, Chief of Police
Robert Scamardo, General Counsel
Amanda Bubela, Recording Secretary (virtual)

Others Present
Rick Morris, Board Counsel
FBISD Staff and Employees

1.-3. Meeting Called to Order, National Anthem, Moment of Silence

President Malone called the meeting to order at 7:07 p.m. announcing the presence of a quorum, that the meeting had been duly called and the notice posted for the time and matter required by law. The meeting began later than the time notice because a Texas Academic Performance Report (TAPR) hearing held prior to the meeting extended beyond the time scheduled. Mrs. Malone asked everyone to stand for the National Anthem, performed by the Cornerstone Elementary Choir. Following the performance, everyone was asked to remain standing for a moment of silence.

4. Recognitions

The Board recognized several students and campuses including:

Members of the Cornerstone Elementary Choir
- Mrs. Cinnamon Dove, Director
- Mr. Joshua Arnoldy, Director
- Alex Folloder
- Anika Rao
- Ashvath Sana
- Emann Mahmood
- Hana Youssef
- Leila Punwasi
- Matin Hesari
- Nysa Pratap
- Sarah Desai
- Sia Dalela
- Yulu Liu

Kempner High School student Re-An Abraham who earned a gold key from the Scholastic Art regional contest and is advancing to the National Scholastic Awards competition

Fort Bend ISD counselors for being awarded the Counselors Reinforcing Excellence for Students in Texas (CREST) award
- Cornerstone Elementary – Melissa (Missy) Masters
- Lake Olympia Middle School – Tammy Byrd and Tiffany Spencer
- Mission West Elementary – Karen Powell
- Missouri City Middle School – Shandra Shaver, Shanese Sly, and Valerie Vaughn
- Sartartia Middle School –Tanya Johnson
- Settlers Way Elementary – Emily Loesch
- Sugar Land Middle School – Kimberly Seright, Eleni Smith, and Carmen Brantley

Fort Bend ISD Materials Management team for receiving the Award of Merit in Purchasing Operations at the TASBO conference
- Zeylord Bautista
- Crisanta Armijo
- Kathleen Booker
- Adrian Bolden
- April Mitchell-Cooper
- Traci Alexander
- Antoinette Lewis
- Doris Emeka-Onyenwe

5. Superintendent Update

Dr. Whitbeck shared with the Board several district updates, events and celebrations.

- Dr. Whitbeck recognized Dulles High School ELA teacher Meredith Whaley, the recipient of this month's Impact Award. Ms. Whaley was nominated by one of her students, who indicated she exemplifies kindness.
- Dr. Whitbeck shared that Saturday was the official grand opening of the Fueling Brains Academy at the Edison Lofts apartments, which is a district partnership that helps preschoolers develop memory, focus and behavioral skills. Dr. Whitbeck expressed appreciation to the Willowridge High School drumline and cheerleaders who also participated in the event.
- Dr. Whitbeck recognized the 2023 Elementary and Secondary Rookie Teachers of the Year:
    - Emily Blanco, Dulles Middle School
    - Olivia Marie Rider, Willowridge High School
    - Tiffany Vandivort, Clements High School
    - Rosemaria Varghese, Elkins High School
    - Elvia Barahona, Seguin Elementary School
    - Roberto Perez-Acosta, Lexington Creek Elementary School
    - Julia Whitehead, Walker Station Elementary
- Dr. Whitbeck congratulated Willowridge High School Girls Basketball Coach Tiffany Collins, who was named the district's 5A Head Coach of the Year.
- Dr. Whitbeck congratulated the Clements High School Swim Team and Hightower High School Girls Basketball Team for being selected by Farm Bureau Insurance to receive the Team of the Month awards.
- Dr. Whitbeck announced that Fort Settlement Middle School was once again named a Texas School to Watch and will be recognized nationally in Washington D.C. in June.
- Dr. Whitbeck recognized Crockett Middle School Middle School STEM and Robotics teacher Richard Embrick, who received the Shell Urban Science Educator Development Award from the National Science Teaching Association.
- Dr. Whitbeck shared a fact from the SHAC, reminding everyone that a brisk walk can reduce stress and help manage conditions like heart disease, strokes, high blood pressure and type 2 diabetes.
- Dr. Whitbeck congratulated Hightower High School student Jasmin Esemu, who was surprised with a $100,000 scholarship from local business consulting firm APQC. Dr. Whitbeck shared a brief video of the surprise presentation.

6. <u>Board Members' Reports</u>

A. Activity Report

Dr. Gilliam reported that the Trustees attended or participated in the following activities since the last Regular Board meeting.

- SHAC Meeting
- Laps for Leukemia & Lymphoma
- "Exploring Unearthed" – Sugar Land 95 Student Production
- Sugar Land 95 – 5 Year Remembrance Community Hosted Vigil
- Touchdown Club of Houston's Football Scholar Athlete Luncheon
- Barbara Jordan Elementary School's 20 Year Anniversary Celebration
- TASB Governance Camp
- Fort Bend Chamber's State of the City of Sugar Land
- Fort Bend Education Foundation Annual Gala
- Missouri City – City Council Meeting

- Teacher of the Year Interviews
- Teacher of the Year Classroom Observations for Elementary & Secondary
- Teacher of the Year Finalists Interviews for Elementary & Secondary
- Senior Citizen's Breakfast – 2023 Bond Presentation
- SHAC Advocacy Meeting
- FBISD Athletic Training Olympics
- Public Walk-Thru of Clements High School
- Fort Bend Chamber – Teacher of the Year Reception
- City of Sugar Land Land Use Hearing
- Candidate Forums Chasewood & Telfair
- 2023 Community Bond Presentations
- Mission West Career Day
- Fort Bend Economic Council Meeting
- All-In Mentoring
- SHAC Special Called Meeting
- SHAC Student Wellness Coalition Meeting
- Autism Seminar for parents of students in Fort Bend ISD

B. Committee Reports

There were no committee reports.

7. Public Comment

- Kellyn Burke addressed Board members regarding Marshall High School, stating that underperforming schools deserve the best educators, administrators and specialists.
- Stephanie Brown addressed Board members regarding Marshall High School and concerns about the implementation of block scheduling. Brown also expressed concerns about PreK and staffing shortages at the Hunters Glen Early Literacy Center.
- Audrey Williams addressed Board members about concerns regarding Willowridge High School, including instability in the school's leadership and rezoning.
- Delores Collins addressed Board members about concerns regarding schools within the Willowridge High School feeder pattern, including recent student performance data, and urged the district to start intensive PreK programs at all elementary schools within the feeder pattern.
- John Fletcher addressed Board members and expressed concerns about the decision to have Marshall High School share a CCR advisor with another school and implement block scheduling. Mr. Fletcher asked that the district to work together with the community as decisions are made.
- Glenda Macal, President of the Fort Bend American Federation of Teachers, addressed Board members and expressed concerns about the impacts that budgetary cuts would have on students and staff, speaking in support about teachers and paraprofessionals.
- Ms. Currie, (first name unavailable), addressed board members and expressed concern about fine arts and athletics scheduling, indicating that limiting these courses to three days a week would have negative impacts on student's physical and mental health. Ms. Currie asked that the district reconsider block scheduling at Marshall, fix the lockers and apply discipline fairly across the district.

8. Information

A. Intruder Detection Audit Report Findings

FBISD Police Chief David Rider shared the results of the most recent Intruder Detection Audits, conducted by the Texas School Safety Center. Chief Rider indicated that since the February 13 Board meeting, the District received reports of 10 additional intruder assessments, and all 10 reports had no findings.

In response to questions from the Board, Dr. Whitbeck and Chief Rider confirmed that the District is in compliance with legal requirements related to safety and security committee meetings.

B. Budgetary & Legislative Update

Chief Financial Officer Bryan Guinn provided Board members with a Legislative and Budgetary update. Guinn shared that while there is still great uncertainty about what will become law, it is very apparent that property tax relief will receive a large portion of the state's $30 billion dollar surplus. As it currently stands, about $15 billion has been allocated for property tax relief, and $5 billion has been allocated for public education.

Guinn shared that the district continues to monitor several proposed bills closely, including House Bills HB1, HB3, and HB 100, and Senate Bills SB8 and SB9. SB 8 would create Education Savings Accounts (ESAs), while SB 9 includes a $2,000 mandatory teacher increase.

Guinn also provided an update on the district's budget reduction efforts for the 2023-24 budget, including an overview of the framework that was used.

- Through February 13, the district had identified about $12.4 million in savings that will be implemented next year, and since then, the district has identified additional savings, with a total of $23.49 identified to date. This includes $10.62 in efficiencies related to staffing guidelines, $300,000 related to the discontinuation of EDGE stipends, and shifting $150,000 for the purchase of high-cost band and orchestra instruments to the bond program.
- While referencing staffing guideline efficiency savings, Guinn pointed out that the district did not change any classroom ratios, as the district has been intentional to minimize disruption to the classroom, and Dr. Whitbeck reiterated that the District has not made cuts to fine art programs, CTE and athletic programs.
- Guinn provided an overview of the General Fund Outlook for 2023-24, as well as the use of ESSER funds to date and the planned use of ESSER III funds in 2023-24. Guinn also provided an update of the Debt Service and Child Nutrition Funds, as the Board will also be asked to adopt these budgets at a future meeting.

Following the update, Board members asked clarifying questions and provided feedback. In response to questions from the Board:

- The administration confirmed that last year, the district cut approximately $16 million from costs associated with central administration, and this year, an additional $4.64 million has been identified in reductions at the central administration level.
- Guinn shared that should HB3 pass as written, the district projects an approximate $3.5 million shortfall in funding specifically related to the requirement of armed security officers at each campus.

- Guinn clarified that ESSER funds can be used in one of two ways, either to supplant (which takes existing staff FBISD has and uses ESSER funding to pay for those positions) or to supplement (which is over and above what the district is currently spending). The 15 itinerant interventionists are considered over and above, while the 50 literacy interventionists were part of the existing literacy intervention strategies and would be maintained after ESSER funding expires.
- Melissa Hubbard clarified that the 15 itinerant interventionists have a different reporting structure than the 50 literacy interventionists. The itinerant interventionists report to Teaching and Learning and they utilize the campus data to allocate that staffing based on need. They are measuring the attendance rate of the students and the interventionists as well as student growth. The literacy intervention teachers are campus-based positions that are allocated based on district staffing guidelines. The district measures effectiveness on the student growth and adherence to the intervention model of seeing students at least four days a week.
- Hubbard shared that literacy interventionists service students in kinder through 5th grade. All itinerant interventionists, at this time, are at elementary schools and are therefore serving students in Kindergarten to 5th grade.
- Hubbard reported that this is the first year that FBISD has been fully staffed in regards to itinerant interventionists, and the district is looking at the growth rate of students who are in the intervention programs. Their fidelity metrics are very positive in showing growth, and at the end of the year, the district will look at the students using summative assessments such as STAAR.
- Hubbard provided additional information regarding outclass configurations, and what the district is doing to maximize efficiencies within established ratios.
- Dr. Whitbeck expressed support of House Bill 1672, sharing that the district considers this the best of the proposed bills, as it increases the basic allotment of $540 dollars and also includes an inflation factor. Dr. Whitbeck expressed appreciation to the author, Representative JC Dutton.

During discussion, Mrs. Hanan asked that the minutes reflect her request of another report at the end of the year regarding the steps taken to improve the inefficiencies and effectiveness in the consistency of pullout, and measurements to determine if there were improvements in that process.

9. Consent Agenda

Prior to a formal motion, Board Counsel Rick Morris advised Board members that Item 10 was intended to be a part of the Consent Agenda.

MOTION by Dae and SECONDED by Hanan to approve the Consent Agenda, Items 9A-9I and Item 10 A-K as presented.

During discussion, the board requested that item 10-J and 9C be pulled from the Consent Agenda.

With the consent of the Board, MOTION WITHDRAWN.

MOTION by Dae and SECONDED by Hanan to approve the Consent Agenda, Items 9A-9I and Items 10 A-K, except Item 9-C and 10-J, as presented.

During discussion, Mrs. Hanan informed Board members she previously made a recommendation regarding language in Policy EF and the campus reconsideration committee to change from at least instructional staff member to two. Mrs. Hanan indicated she was withdrawing that recommendation, and asked that the minutes reflect her request that "*when procedures are written, that if there is some way, that we can really underscore to our campus principals and district leaders who create the reconsideration committees that they take into consideration what the resource is, who they have available that has used that resource, especially if it is a class resource or resource used to facilitate the curriculum, that they have more than one instructional staff member."*

Mrs. Hanan also asked that the minutes reflect her request that the administrative procedures make it clear that if the complainant is an employee, they will have a right, just like any other member of the community, to present to the committee but they would not sit on the committee.

After clarification from Board counsel regarding the pending motion, which did not include Policy EF, the Board president called for a vote.

MOTION CARRIES, 7-0.

9. Consent Agenda

A. Consideration and approval of the minutes of the Fort Bend ISD Board of Trustees meeting on the following date:
    1. February 6, 2023, Called Meeting and Agenda Review Meeting

B. Consideration and approval of a General Fund budget amendment for 2022-23.

D. Consideration and approval of the new campus positions for the 2023-24 school year.

E. Consideration and approval of the purchase of Bank Depository Services from Prosperity Bank in an amount not to exceed $50,000 for each two-year contract period and authorization for the Superintendent to negotiate and execute the agreements through June 2025.

F. Consideration and approval of a Board resolution to submit the Victims of Crime Act (VOCA) grant application for year five of the K-12 Campus Victim Assistance Program to the Office of the Governor.

G. Consideration and approval of an amendment to the cellular tower lease agreement with Eco-Site II, LLC (AT&T representative), for a cell tower at Kempner High School, which extends the Options period through August 2023, and authorization for the Superintendent to execute the agreement.

H. Consideration and approval of a blanket (short form) easement with CenterPoint Energy for electrical services to Clements High School's (PKG035.2) new field house, and authorization for the FBISD Board President to negotiate and execute the easement, as well as the CenterPoint Energy long form easement to be provided near the conclusion of the project.

I. Consideration and approval for the use of 2018 Bond Program Contingency as proposed.

10. Consideration and approval of proposed expenses that exceed $50,000: Specifically for:

A. Consideration and approval of additional funding to perform the necessary repairs needed at Austin High School (AHS) Central Plant (PKG046) for a total amount of $850,000 to fund the replacement and installation of the cooling tower, approval of a Job Order Contract (JOC) with The Thomas Group for a not to exceed amount of $850,000; approval of a revised project budget for PKG046 utilization of Bond 2018 Contingency

funds; and authorization for the Superintendent to negotiate and execute or terminate the agreements.

B. Consideration and approval of a project budget to perform the necessary HVAC upgrades needed at Triplex Building 1 - Police Department (PKG061) for a total amount of $300,000; utilization of Bond 2018 Contingency funds; and authorization for the Superintendent to negotiate and execute or terminate the agreements.
C. Consideration and approval for the purchase of high school graduation diplomas and related items from Herff Jones, LLC and authorization for the Superintendent to negotiate and execute the contracts through May 2027.
D. Consideration and approval for the purchase of Fine Arts consultant and clinician services and authorization for the Superintendent to negotiate and execute the agreements through January 2028.
E. Consideration and approval for the purchase of travel agency and charter bus services for the District from multiple vendors in an amount not to exceed $2,000,000 and authorization for the Superintendent to negotiate and execute the agreements through March 2028.
F. Consideration and approval for the selection of legal counsel to advise the district on all matters related to the issuance of bonds in an amount not to exceed $2,000,000 and authorization for the Superintendent to negotiate and execute the agreement through March 2028.
G. Consideration and approval for the purchase of E-Rate Consulting Services from Infinity Communications & Consulting, Inc. in an amount not to exceed $250,000, and authorization for the Superintendent to negotiate and execute the agreement through March 2028.
H. Consideration and approval for the purchase of global positioning system (GPS) systems for the District fleet from the BuyBoard purchasing cooperative contract in an amount not to exceed $736,715, and authorization for the Superintendent to negotiate and execute the agreement through April 2026.
I. Consideration and approval for the purchase of District special program services, materials and related items from multiple vendors in an amount not to exceed $6,800,000 and authorization for the Superintendent to negotiate and execute the agreements through March 2028.
K. Consideration and approval of a construction services agreement with Job Order Contractor (JOC) JR Thomas Group to perform necessary repairs and controls upgrades at Lake Olympia Middle School (LOMS) (PKG060), for a not-to-exceed construction cost of $514,000, and authorization for the Superintendent to negotiate and execute or terminate the agreement.

<u>Action on Items Removed from the Consent Agenda</u>

9C. Consideration and approval of the revisions to the following policies:

1. CFD (Local)
2. EF (Local)
3. EFA (Local)
4. EFAA (Local)

MOTION by Dae and SECONDED by Hanan to approve 9-C as presented.

Following discussion, MOTION CARRIES. Ayes 7, Nays 0.

10J. Consideration and approval of Job Order Contract (JOC) with J.R. Thomas Group, Inc. to

perform the necessary relocation, set up and repairs for the portable classroom buildings needed to support the 2023-24 school year; approval of a Design Services Agreement with Molina Walker Almaguer Architects (MWAA); approval of the project budget $3,519,422; utilization of Bond 2018 Contingency funds; and authorization of the Superintendent to negotiate, execute or terminate the respective contracts.

MOTION by Dae and SECONDED by Hanan to approve Item 10-J as presented.

During discussion, Mrs. Dae asked that the minutes reflect that following her concerns expressed about portables at Commonwealth Elementary during the last meeting, she received information that indicated the principal had requested that the portables stay on the campus for another year because of the possibility of student growth. Dr. Whitbeck added that in addition, the buildings are also needed to house some centralized special education staff members who will be deployed throughout the district, as Commonwealth is a centralized location.

Mrs. Dae asked that the minutes reflect that she previously expressed concerns during previous boundary discussions related to Sonal Buchar and Austin Parkway Elementary, indicating she previously questioned whether the district should do more to balance enrollment between the two schools and was assured that based on projections the schools would not be overcrowded in years to come, while she was now being told that changes in enrollment projections are driving these decisions related to portables.

Following further discussion, MOTION CARRIES, 5-2.

Yea: Malone, Gilliam, Hamilton, Garcia, Hanan
Nay: Dae, Williams

11. Convene in Closed Session

The Board convened in closed session at 9:52 p.m. under Texas Open Meetings Act, Texas Government Code, Chapter 551 under the following sections: 551.071 - For the purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized by law; Section 551.072 - Consider purchase, exchange, lease, or value of real property, Section551.074 - Personnel matters, Section 551.076 - Security matters, Section 551.082 - Student discipline matter or complaint, or Section 551.0821 - Personally identifiable information about public school student.

A. Deliberate Director of CTE Recommendation.
B. Deliberate Holley Elementary Principal recommendation.
C. Deliberate Elkins High School Principal recommendation.
D. Deliberate Willowridge High School Principal recommendation.
E. Deliberate renewal and award of educator employment contracts.

12. Reconvene in Open Session

The Trustees reconvened in open session at 10:52 p.m.

13. Consider Action on Closed Session Items

- MOTION by Dae and SECONDED by Gilliam that the Board of Trustees approve the Superintendent's recommendation to appoint Danielle Moss as the principal of Mary Austin Holley Elementary School.
  MOTION CARRIES. Ayes 7, Nays 0.
- MOTION by Gilliam and SECONDED by Dae that the Board of Trustees approve the Superintendent's recommendation to appoint Margaret Renee' Cosby as Director of Career and Technical Education.
  MOTION CARRIES. Ayes 7, Nays 0.
- MOTION by Hanan and SECONDED by Hamilton that the Board of Trustees approve the Superintendent's recommendation to appoint Courtney Muceus as principal of Lawrence E. Elkins High School.
  MOTION CARRIES. Ayes 7, Nays 0.
- MOTION by Gilliam and SECONDED by Dae that the Board of Trustees approve the Superintendent's recommendation to appoint Dr. Jennifer Roberts as principal of Willowridge High School.
  MOTION CARRIES. Ayes 7, Nays 0.
- MOTION by Hamilton and SECONDED by Gilliam that the Board of Trustees approve the Superintendent's recommendation to award probationary, dual probationary, District of Innovation and non-certified administrator employment contracts, and renew term and dual term employment contracts as presented for the 2023-24 contract year.
  MOTION CARRIES. Ayes 7, Nays 0.

14. Action

A. Consideration and approval of resolution expressing the intent to finance expenditures incurred in conjunction with a future bond program and Architect/Engineer approval for Briargate ES (BGE) and Mission Bend ES (MBE) rebuilds ("Resolution").

MOTION by Dae and SECONDED by Gilliam to approve Item 14.A as presented.

During discussion, Mrs. Fuzetti provided an overview of the planning process related to the rebuilds of Briargate Elementary and Mission Bend Elementary, the rationale for using previous elementary school prototypes, and the planned timeline and next steps related to the rebuilds.

In response to questions from the Board, Fuzetti shared information regarding the district's ongoing actions in preparation for the possibility of voter approval of the bond program in May, with one of the first steps being the selection of architects in June. Fuzetti also shared additional details about the compressed timeline associated with Briargate and Mission Bend rebuilds, and the need to begin community feedback with the architects.

Following discussion, MOTION by Hanan and SECONDED by Dae to postpone item regarding consideration and approval of the resolution expressing intent to finance expenditures incurred in conjunction with future bond program with the rebuild of Briargate and Mission Bend Elementary School to the Board meeting that will be held on April 3.

MOTION CARRIES, 5-1.
Yea: Malone, Dae, Gilliam, Garcia, Hanan
Nay: Hamilton

15. Adjournment

Having no further business before the Board, MOTION was made by Mrs. Hanan to adjourn the meeting at 11:57 p.m.

Judy Dae, President	David Hamilton, Secretary

Minutes
Fort Bend ISD Board of Trustees
Agenda Review Workshop
April 3, 2023

An Agenda Review Workshop of the FBISD Board of Trustees was held on Monday, April 3, 2023 beginning at 6:02 p.m. in the Board Room of the Administration Building located at 16431 Lexington Blvd., Sugar Land, Texas. The Live Stream of the meeting was available at: https://www.fortbendisd.com/boardmeetinglivestream.

The meeting was recorded as required by law, and the recording is available to the public at: https://fortbendisd.new.swagit.com/videos/223211

The agenda packet for the meeting can be found here: https://meetings.boardbook.org/Public/Agenda/649?meeting=563975

Presiding Officer.....Mrs. Kristen Davison Malone, President

Board Members Present
Mrs. Judy Dae, Vice President
Dr. Shirley Rose-Gilliam, Secretary
Mr. Rick Garcia
Mr. David Hamilton
Mrs. Angie Hanan
Ms. Denetta Williams (participating virtually)

School Officials Present
Dr. Christie Whitbeck, Superintendent of Schools
Steve Bassett, Deputy Superintendent
Beth Martinez, Deputy Superintendent
Bryan Guinn, Chief Financial Officer
Glenda Johnson, Chief Human Resources Officer
Dr. Kimberly Lawson, Chief Academic Officer
Dr. Kwabena Mensah, Chief of Schools
Long Pham, Chief Information Officer
Christopher Juntti, Interim Chief Operations Officer
David Rider, Chief of Police
Robert Scamardo, General Counsel
Amanda Bubela, Recording Secretary (virtual)

Others Present
Jonathan Brush, Board Counsel
FBISD Staff and Employees

1. Meeting Called to Order

President Malone called the meeting to order at 6:02 p.m. announcing the presence of a quorum and that the meeting had been duly called and the notice posted for the time and matter required by law.

2. Public Comment

There were no public comments.

3. Superintendent's Update

In her report, Dr. Whitbeck:

- Shared that District leaders recently toured Crawford High School, accompanied by the school's namesake, Almeta Crawford, and the school's principal, Keith Fickel. Ms. Crawford taught 49 and a half years, most at Dulles High School.
- Shared that over the weekend, FBISD students at all levels competed in the statewide underwater robotics challenge at the District's aquatics practice facility. Each team's underwater vehicle had to complete an underwater obstacle course, perform tasks related to ocean exploration, and team members participated in a panel interview with judges. Austin High School placed first in the statewide competition and the team is now headed to the international competition at the University of Maryland on May 13. Fort Settlement Middle School placed third overall and is also headed to the international competition, while Palmer Elementary placed fourth place in poster design and is an alternate.
- Shared that the District held its annual All-Star Talent Draft on Saturday. The job fair was held at Austin High School, with 727 candidates in attendance. The District issued 76 Letters of Intent during the event.
- Shared that Whole Child Health is hosting a wellness fair on Wednesday, April 5 at Marshall High School from 5:30 – 7:30 p.m. The event is open to students, staff and families and will feature three guest speakers who will share information about mental and behavioral health.
- Provided clarification about the District's Safety and Security Committee, which is required under the Texas Education Code. Dr. Whitbeck shared information about committee membership in FBISD, meeting dates, and how members of the community can access information about the meetings and minutes on the District's website, confirming that the District is in compliance with all requirements.

4. Information

A. Insurance and Benefits Update

LaShonda Walls, Director of Benefits and Wellness, shared an update regarding the District's employee benefits program.

During the update, Ms. Walls provided an overview of the benefits plan funding, which is a self-funded plan, shared data that compared the District's benefits plan to neighboring districts, and shared information about strategies implemented for 2023 and additional strategies the administration is proposing for 2024.

Ms. Walls also shared details about the Employee Benefits & Wellness Committee, which is comprised of representatives from campuses and departments across FBISD who participate in meetings throughout the year to be a voice for campuses/departments. These representatives are also part of the decision-making process regarding the benefits program.

Kelly Schlacks, Director of Finance, also provided information about the benefits financial performance overview and the considerations underway for the 2024 benefit plan.

Following the overview, Board members asked questions and provided feedback.

In response to questions from the Board:

- Ms. Walls shared additional information about the considerations underway regarding the District's benefit plan offerings, as changes are needed so that employees can save on their premiums and the plan can also see additional savings. This includes the possibility of transitioning from a passive to an active enrollment.
- Ms. Walls shared that post-pandemic, as employees who deferred care began returning to their doctor's offices, the district saw a spike in overall claims costs and ER utilization. Walls shared ER utilization has been a challenge to manage.
- Ms. Walls clarified information regarding reimbursements the District receives from its stop-loss vendor when claims exceed $450,000.
- Ms. Walls shared additional information about claims that are driving costs, including critical conditions that may not have been preventable, versus conditions and claims that may have been prevented by preventive care, and how plan design can also help drive accountability.
- Ms. Walls shared that FBISD wants employees to know that FBISD offers a competitive employees benefits package and a number of options for them to select from, and that FBISD also wants employees to be mindful as they consider providers and facilities that could reduce their out-of-pocket costs and District costs.
- Ms. Walls shared that FBISD is still in the preliminary stages of considering options for 2024, and additional information will be forthcoming.
- Ms. Walls shared details about Surgery Plus, which is in place and offers 100 percent coverage for elective coverage for elective surgeries, with the exception of pre-operative and post-operative charges.

5. Review

A. Review the minutes of the Fort Bend ISD Board of Trustees meetings on the following dates:
    1. February 9, 2023, Special Called Meeting: Facility Condition Workshop
    2. February 13, 2023, Regular Business Meeting
    3. February 16, 2023, Special Called Meeting: Almeta Crawford Attendance Boundaries
    4. March 8, 2023, Superintendent's Formative Evaluation

No discussion.

B. Review Instructional Materials Allotment and TEKS Certification for 2023-24.

During discussion, Melissa Hubbard provided additional information regarding the agenda item, and provided clarification about a recent TEA memo related to the agency's work underway regarding approved phonics curriculums. Hubbard clarified that in the TEKS certification, FBISD's curriculum, written in-house, is the first line of instruction, and the adopted resources serve to support and supplement that designed curriculum.

Hubbard shared that during the past school year, the district transitioned away from the previous math textbook, which also included a consumable workbook, and decided to use the TEA-provided resource, *Eureka Math*, an online resource that provides access to printable

documents. In the curriculum, the district has cross referenced between the *Eureka Math* resource and the units of instruction to support teachers, giving them the discretion to print pages that they deem most appropriate for their instruction.

Ms. Hubbard also provided additional background information regarding the Instructional Materials Allotment, as this amount varies and changes every couple of years based on proclamations. Ms. Hubbard provided clarification regarding the requested board action. Hubbard shared that this action is to attest that FBISD's curriculum meets the TEKS, and that the resources provided, using the IMA funds, align to those standards.

C. Review Instructional Materials Allotment (IMA) Proclamation 2022.

During discussion, Lori Sartain, Assistant Director of Health and Wellness, provided information about SHAC's involvement in developing recommendations in accordance with Proclamation 2022 and Senate Bill 9, and Board members expressed appreciation to committee members for all of their work.

D. Review the recommended 2023-24 School Health Advisory Council (SHAC) Membership Roster.

No discussion.

E. Review the 2023-24 Fort Bend ISD Designated Hazardous Traffic Conditions List and Resolution to adopt the Designated Hazardous Traffic Conditions.

During discussion, FBISD Transportation Director Mike Jones provided additional information regarding how the district re-evaluated the two-mile transportation area surrounding Fort Settlement Middle School and confirmed that the district is being consistent in its practices. Mr. Jones also provided information about areas around Bhuchar Elementary that will receive transportation services.

F. Review Low Attendance Waiver for 2022-23.

No discussion.

G. Review contract to award a contract for the collection of delinquent taxes to Perdue Brandon Fielder Collins & Mott LLP and authorization for the Superintendent to negotiate and execute the agreements thru April 2028.

No discussion.

H. Review an interlocal agreement with the non-profit corporation SPARK Park School Program to provide the funding and all construction services required for the enhancement of the park facilities at Rosa Parks Elementary School, and authorization for the superintendent to execute and/or terminate the agreement.

No discussion.

I. Review the use of 2018 Bond Program Contingency.

During discussion, Interim Chief Operations Officer Christopher Juntti provided information about how contingency funds are allocated after the district closes out projects.

J. Review budget amendment for Child Nutrition Fund.

During discussion, Bryan Guinn explained that due to federal grants totaling $11 million, the district's fund balance exceeded what is allowed, and this requires the district to submit plans on how it will utilize the fund balance. Guinn shared the district is using this excess to address immediate needs that would not necessarily be replaced in the upcoming bond cycle, should the proposed bond be successful. Guinn also confirmed that this fund balance cannot be used toward general fund expenses, or to fund employee compensation.

K. Review the proposed expenses that exceed $50,000: Specifically for:

1. Review a revised project budget for the central plant upgrades needed at Hightower High School (PKG058) to include an additional $200,000 for a total project budget amount of
$1,400,000, and utilization of Bond 2018 Program Contingency to provide the additional funds.

Trustee discussion occurred during related item, Item 5.I.

2. Review the purchase of Child Nutrition Department Software from Cybersoft Technologies, Inc. through Choice Partners in an amount not-to-exceed $650,000, and authorization for the Superintendent to negotiate and execute the agreement through May 2027.

No discussion.

3. Review purchase of radio equipment and related items and services from Northwest Communications under a Choice Partners Cooperative contract and authorization for the Superintendent to negotiate and execute the agreement annually through July 2026.

No discussion.

4. Review the purchase of police equipment, supplies and related items through various purchasing cooperatives from multiple vendors in an amount not to exceed $1,000,000 and authorization for the superintendent to negotiate and execute the agreement annually through March 2027.

During discussion, Chief Financial Officer Bryan Guinn shared the items included in this agenda item fall below the capitalization threshold and would therefore would not be eligible for purchase from the bond. Guinn also confirmed that should the legislature approve a safety and security allotment; the appropriation would come through the general fund. Guinn also shared that this item is related to the regular repurchase of items that the police officers already have, and postponing this purchase would prevent them from purchasing items that may have reached the end of their useful life or otherwise need immediate replacement.

5. Review the purchase of college and career planning software from SchooLinks in an

amount not to exceed $1,125,000 and authorization for the Superintendent to negotiate and execute the agreements through April 2028.

During discussion, Dr. Kimberly Lawson confirmed SchooLinks is replacing Naviance and Mesa, and Bryan Guinn provided information about the scoring related to the reputation of the vendors, as scores are dependent on survey responses sent to the district from prior customers. Dr. Pilar Westbrook and Jennifer Chadwick also shared details regarding the district's planned implementation, including training and resources for district staff, students and parents.

6. Review the lease of copier equipment from ImageNet Consulting, LLC, in an amount not to exceed $4,700,000, and authorization for the Superintendent to negotiate and execute the agreement through July 2026.

No discussion.

7. Review the purchase of physical examinations, drug and alcohol testing services from Choice Partners and Texas Smart Buy cooperative contacts in an amount not-to-exceed $602,136, and authorization for the Superintendent to negotiate and execute the agreement annually through May 2027.

No discussion.

8. Review the purchase of swimming pool chemicals, supplies, and equipment from the BuyBoard purchasing cooperative contract in an amount not-to-exceed $180,000, and authorization for the Superintendent to negotiate and execute the agreement through June 2026.

No discussion.

9. Review for purchase of Child Nutrition Equipment from various vendors through Choice Partners and Omnia Partners Purchasing Cooperatives in an amount not-to-exceed $5,000,000 and authorization for the Superintendent to negotiate and execute the agreements through June 2024.

Trustee discussion occurred during related item, Item 5.J.

6. Closed Session

The Board convened in closed session at 8:01 p.m. under Texas Open Meetings Act, Texas Government Code, Chapter 551 under the following sections: 551.071 - For the purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized by law; Section 551.072 - Consider purchase, exchange, lease, or value of real property, Section 551.074 - Personnel matters, Section 551.076 - Security matters, Section 551.082 - Student discipline matter or complaint, or Section 551.0821 - Personally identifiable information about public school student

A. Deliberate recommendation to propose nonrenewal of term employment contracts of certified employees at the end of the 2022-23 contract year.

B. Deliberate specifying the manner of hearings(s), if any, concerning the proposed

nonrenewal of term employment contracts of certified employees, in accordance with Policy DFBB (Local).

7. Reconvene in Open Session

The Trustees reconvened in open session at 9:39 p.m.

8. Consider Action on Closed Session Items

There were no actions from closed session.

9. Action

A. Consideration and approval of resolution expressing the intent to finance expenditures incurred in conjunction with a future bond program and Architect/Engineer approval for Briargate ES (BGE) and Mission Bend ES (MBE) rebuilds ("Resolution").

Prior to a motion, President Malone invited Mr. Bassett to provide an update on this item. Mr. Bassett clarified comments made during a previous meeting related to the compensation of consultants from Jacobs Engineering, and then shared rationale related to this item. Bassett shared the administration's recommended pathway forward would allow the opportunity to get two feeder patterns bought in to the rebuilds, and also allow community engagement related to the rebuilds to begin. Bassett said the recommendation is also fiscally responsible, as it would allow the district to save $2 million on designs, and in addition, inflation costs.

MOTION from Dae and SECONDED by Garcia to approve Item 9.A. as presented.

Following discussion, MOTION CARRIES, 6-1.

Yea: Malone, Dae, Gilliam, Garcia, Hamilton, Hanan
Nay: Williams

Following the vote on 9.A, President Malone announced she was pulling Item 9.B from the agenda.

10. Adjournment

Having no further business before the Board, MOTION was made by Garcia to adjourn the meeting at 9:59 p.m.

Judy Dae, President | David Hamilton, Secretary

Minutes

Fort Bend ISD Board of Trustees

Special Called Meeting
April 12, 2023

A Special Called Meeting of the FBISD Board of Trustees was held on Wednesday, April 12, 2023, beginning at 12:03 p.m. in the Board Room of the Administration Building located at 16431 Lexington Blvd., Sugar Land, Texas. The Live Stream of the meeting was available at: www.fortbendisd.com/boardmeetinglivestream.

The meeting was recorded as required by law, and the recording is available to the public at: https://fortbendisd.new.swagit.com/videos/223896.

The agenda packet for the meeting can be found here: https://meetings.boardbook.org/Public/Agenda/649?meeting=577453.

Presiding Officer .....Ms. Kristen Davison Malone, President

Board Members Present
Mrs. Judy Dae, Vice President
Dr. Shirley Rose-Gilliam, Secretary
Mr. Rick Garcia
Mr. David Hamilton
Mrs. Angie Hanan

Others Present
Dr. Christie Whitbeck, Superintendent of Schools
Members of the FBISD Executive Team
Michelle Morris, Board Counsel
FBISD Staff
Amanda Bubela, Recording Secretary (Virtual)

1. Meeting Called to Order

President Malone called the meeting to order at 12:03 p.m. announcing the presence of a quorum, that the meeting had been duly called and the notice posted for the time and matter required by law.

2. Public Comment

- There were no speakers present to address the Board

3. Convene in Closed Session

The Board convened in closed session at 12:04 p.m. under Texas Open Meetings Act, Texas Government Code, Chapter 551 under the following sections: 551.071 - For the purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized by law; Section 551.072 - Consider purchase, exchange, lease, or value of real property, Section 551.074 - Personnel matters, Section 551.076 - Security matters, Section 551.082 - Student discipline matter or complaint, or Section 551.0821 - Personally identifiable information about public school student

4. Information

A. Bond Procurement Workshop

5. Reconvene in Open Session

The Board reconvened in open session at 2:06 p.m.

6. Adjournment

Having no further business before the Board, MOTION was made by Mrs. Hanan to adjourn the meeting at 2:06 p.m.

Judy Dae, President	David Hamilton, Secretary

Minutes
Fort Bend ISD Board of Trustees
Regular Business Meeting
April 17, 2023

A Regular Business Meeting of the FBISD Board of Trustees was held on Monday, April 17, 2023 beginning at 6:02 p.m. in the Board Room of the Administration Building located at 16431 Lexington Blvd., Sugar Land, Texas. The Live Stream of the meeting was available at: https://www.fortbendisd.com/boardmeetinglivestream.

The meeting was recorded as required by law, and the recording is available to the public at: https://fortbendisd.new.swagit.com/videos/224140.

The agenda packet for the meeting can be found here: https://meetings.boardbook.org/Public/Agenda/649?meeting=563976.

Presiding Officer.....Mrs. Kristen Davison Malone, President

Board Members Present
Mrs. Judy Dae, Vice President
Dr. Shirley Rose-Gilliam, Secretary
Mr. Rick Garcia
Mr. David Hamilton
Mrs. Angie Hanan
Ms. Denetta Williams

School Officials Present
Dr. Christie Whitbeck, Superintendent of Schools
Steve Bassett, Deputy Superintendent
Beth Martinez, Deputy Superintendent
Bryan Guinn, Chief Financial Officer
Glenda Johnson, Chief Human Resources Officer
Dr. Kimberly Lawson, Chief Academic Officer
Dr. Kwabena Mensah, Chief of Schools
Long Pham, Chief Information Officer
Christopher Juntti, Interim Chief Operations Officer
David Rider, Chief of Police
Robert Scamardo, General Counsel
Amanda Bubela, Recording Secretary (virtual)

Others Present
Jonathan Brush, Board Counsel
FBISD Staff and Employees

1.-3. Meeting Called to Order, National Anthem, Moment of Silence

President Malone called the meeting to order at 6:02 p.m. announcing the presence of a quorum, that the meeting had been duly called and the notice posted for the time and matter required by law. Mrs. Malone asked everyone to stand for the National Anthem, performed by the Austin High School String Ensemble. Following the performance, everyone was asked to remain standing for a moment of silence.

4. Recognitions

The Board recognized several students and campuses including:

Members of the Austin High School String Ensemble
- Chole Lee
- Arianna Castinon
- Pavit Thakar
- Natalie Su
- Ann Victor, Director

Kempner High School student Shalina Effendi for advancing to the National Scholastic Awards competition for her personal narrative, Chiffon.

Clements High School students for winning at Scholastic Art and Writing Awards
- Wendy Wu – National Gold Medal for drawing and illustration
- Amy Liu – National Gold Medal for Mixed Media
- Alina Llao – National Silver Medal for drawing and illustration

Clements High School students for placing in the 2023 State Championship Swim/Dive Meet
- Logan Brown placed 1st in the 100 Breaststroke and set a 6A state record, and also placed 2nd in the 200 Individual Medley
- Hayden Bellotti placed 1st in the 100 Butterfly and set a 6A state record, and also placed 3rd in the 50 Freestyle
- Kayla Fu placed 2nd in the 100 Freestyle and 3rd place in the 50 Freestyle

Hightower High School coach Cornelius Anthony, who received the Texas High School Coaches Association Region 5 “Coaching Beyond the Game” Award.

Hightower High School Assistant Principal Dr. Sharon Delesbore, who received recognition from the National Science Teaching Association.

Kempner High School ELA Teacher Susan Henson, who received the 2023 Susan O’Connor Award for Teaching Excellence.

The SPARK school park program for their contributions to Fort Bend ISD and 40 years of service.

5. Superintendent Update

Dr. Whitbeck shared with the Board several district updates, events and celebrations.

- Dr. Whitbeck shared that last Thursday, the District hosted its Teacher of the Year Celebration and honored Rookie Teachers of the Year, each of the District’s Campus Teachers of the Year, the 2023 Elementary and Secondary Teachers of the Year, and the Principals of the Year. The honorees include:
    - Framy Diaz, Principal of the Year, Ridgemont Elementary
    - Courtney Muceus, Principal of the Year, First Colony Middle School
    - Lindsey Koon, Elementary Teacher of the Year, Sugar Mill Elementary
    - James Riddick, Secondary Teacher of the Year, Dulles High School

The Elementary and Secondary Teachers of the Year will now advance to the regional Teacher of the Year competition with an opportunity to advance to the state program.

- Dr. Whitbeck congratulated Travis High School students Rohan Dharia and Videet Mehta, who won first place at the annual State Science and Engineering Fair held at Texas A&M. Dharia and Mehta won for their artificial intelligence approach to providing better medical imaging results and advance to the International Science and Engineering Fir next month in Dallas. Dr. Whitbeck also recognized Quail Valley Middle School students Jiya Joshi, SaiSpoorthi Maram, and Anvesha Subramanian, who won second place in the biochemistry category for middle school students for their novel use of computer models to stop bacteria that is resistant to antibiotics.
- Dr. Whitbeck shared that four high schools, Dulles High School, Hightower High School, Ridge Point High School, and Travis High School, are finalists in this year's Tommy Tune Awards. The schools have a combined 12 nominations in eight different categories. The Tommy Tune Awards will take place at the Hobby Center on May 4.
- Dr. Whitbeck shared that Bush High School and Kempner High School have advanced in the UIL One Act Play competition. Both schools placed first in the area and will compete at the state contest at San Jacinto College Friday and Saturday.
- Dr. Whitbeck shared that Fort Bend ISD's Global Studies Academy held its 11th annual Global Issues Summit this weekend at Travis High School. This year's event addressed access to basic necessities such as food and water, healthcare, education and infrastructure.
- Dr. Whitbeck shared that for the first time, the Innovation Spark Fest was held in Sugar Land's Town Square. The event included a competition for high school entrepreneurs and FBISD swept the competition, winning first, second and third place.
    - The Clements team took 3rd place for their phone pouch that helps you build good habits. They won $200 in startup money.
    - Dulles High School won 2nd place for a portable utensil kit that is also compostable. Their team won $300 in startup money.
    - The Elkins team won 1st place for creating a card deck and bracelet that encourages social, emotional, spiritual, intellectual and physical self-care. They won $500 in startup money.
- Dr. Whitbeck shared that this week is National Volunteer Week and acknowledged the District's volunteers who contribute time, energy and resources to help students. To date, more than 158,000 volunteer hours have been logged within the District.
- Dr. Whitbeck congratulated Marshall High School Jaland Lowe, who recently won the 2023 Guy V. Lewis Award. Lowe is also the Boys Basketball Player of the Year for the Greater Houston Area and has committed to the University of Pittsburgh.
- Dr. Whitbeck congratulated the Ridge Point High School Girls Soccer Team for their phenomenal season. The team advanced to the state championship but fell short to Lewisville Marcus.
- Dr. Whitbeck noted that STAAR testing is coming up and encouraged students to do their best.

6. Public Comment

- Jaidin Upadhyaya, a junior from Austin High School, addressed Board members regarding the Class Rank policy that will be enacted for the first time with the Class of 2023. Upadhyaya told Board members the policy is not fair and suggested that the district have an academy-only ranking pool for students who attend academies.

- Jing Zhang, parent of rising senior at Austin High School, addressed Board members regarding the Class Rank policy and concerns that students who have never attended Austin High School are receiving the school's top spots. Zhang said the lack of ranking beyond the top ten percent of the class is causing additional stress to students and asked that Board reverse the rule for the Class of 2024.
- Delores Collins addressed Board members regarding the bond, asking the Board to exercise prudence fulfilling bond projects and expressed disappointment that bonds have not included improvements to the Willowridge High School gym.
- Rachel Ann Kee, a junior at Ridge Point High School, addressed Board members regarding the class ranking system and stated that not ranking students beyond the top 10 percent is unfair who are not in the top ten percent. Kee said several of her choice schools grant automatic admission to the top 25 percent but she has no way of knowing her rank under the current policy.
- Allyson Morris, an FBISD parent, addressed Board members about policies regarding rankings, GPAs and grades. Morris asked Board members to reconsider the policy that was adopted by the previous board, and urged them to take action during tonight's meeting. Morris asked that the District release class rank beyond the top 10 percent and told Board members the 100-point GPA scale is causing massive cheating and creating undue stress on students.
- Eva Morris, a Ridge Point High Student in the 2027 graduating class, addressed Board members about the class ranking policy. Morris stated that not ranking beyond the top 10 percent is not fair and affects her ability to apply for colleges and scholarships. Morris asked that the District release academic rankings to students who request the information and asked the district to consider returning to a 4.0 grading scale.
- Rong Tao expressed concerns about the District's ranking policy and told Board members it is unfair to rank students based on their campus of residence rather than campus of attendance. Tao told Board members that the ranking policy is unfairly penalizing high-achieving students who attend more academically competitive schools and urged the Board to consider action to change the policy.
- Mike Schofield, a longtime Meadows Place resident, addressed the Board and encouraged residents to support the bond. Schofield asked that the District install a flag at the FBISD natatorium.
- Stephanie Brown, a stakeholder, homeowner and a parent, addressed Board members and expressed appreciation to Dr. Whitbeck to listening to their idea to use Title 1 funds to fund the CCR position at Willowridge and Marshall high schools. Brown also expressed concerns about the location of future natatorium and asked Board members to consider the placement to create equitable experiences for students.
- Sandy Sterling, a parent of two Marshall High School students, addressed Board members regarding the possibility of a pool at Marshall High School, as her daughters had to travel to the YMCA in order to participate in the school's swimming program. Sterling said there is plenty of land at Marshall High School and said the placement could make a huge difference in college opportunities and saving lives. Sterling asked Board members consider putting a new pool facility at Marshall.

7. <u>Board Members' Reports</u>

A. Activity Report

Dr. Gilliam reported that the Trustees attended or participated in the following activities since the last Regular Board meeting.

- 2023 Bond Presentation Meetings across the District
- Campus Visit to Fort Settlement Middle School
- Board Policy Review Committee Meeting
- STAAR Kick Off Pep Rally at Hodges Bend Middle School
- Meeting to Discuss Sugar Land 95 Memorial Plans
- Student Leadership 101 – Session #7
- FBISD Whole Child Health Initiative Wellness Fair at Marshall High School
- Ronnie Davis Agricultural Center Grand Opening Ceremony
- Fort Bend Chamber's 2023 Candidate Forum
- Gulf Coast Area Association Spring Workshop
- Teacher of the Year Banquet
- Willowridge HS Teachers vs. Students Basketball Game
- Literacy Program Meetings at Arizona Fleming and Settlers Way Elementary Schools
- Ridge Point High School's 6A Soccer State Tournament Finals

B. Committee Reports

1. Board Policy Committee Annual Update

President Malone notified the Board that the Board Policy Committee has completed 17 policies this year, there are currently three policies pending with the committee, and there are seven policies currently with the administration that are under review. Malone expressed appreciation to Mr. Hamilton and Mrs. Hanan for their participation in the policy committee, as well as to Mr. Coby Wilbanks for leading the charge for the administration.

C. Special Reports

1. Annual Board Training Report

President Malone shared that under State Board of Education Rules, the completion of required continuing education by board members, each year of service, is a basic obligation and expectation of any sitting board member, and as Board President, she is required to announce the name of each member who:

- Has completed the required continuing education;
- Has exceeded the required continuing education; and
- Is deficient in meeting the required continuing education.

President Malone shared the requirements for training are measured as of the first anniversary of the date of the trustee's election or appointment or two-year anniversary of his or her previous training, as applicable. President Malone stated the following are the areas of training:

1. Local District Orientation
2. Orientation to the Texas Education Code
3. Post-Legislative Update to the Texas Education Code
4. Team Building

5. Additional Continuing Education
6. Evaluating Student Academic Performance and Setting Goals
7. Identifying and Reporting Abuse, Trafficking, and Other Maltreatment of Children
8. School Safety

To the extent of applicable to each board member, President Malone announced the completion or deficiency as to required training.

1. Local District Orientation
    a. As of April 17, 2023, all FBISD Trustees have met requirements.
2. Orientation to the Texas Education Code
    a. As of April 17, 2023, all FBISD Trustees have met requirements.
3. Post-Legislative Update to the Texas Education Code
    a. Not applicable
4. Team Building
    a. As of April 17, 2023, all FBISD Trustees have met requirements.
5. Additional Continuing Education
    a. As of April 17, 2023, all FBISD Trustees have met requirements, except for Ms. Williams.
6. Evaluating Student Academic Performance and Setting Goals
    a. As of April 17, 2023, all FBISD Trustees have met requirements, except for Ms. Williams.
7. Identifying and Reporting Abuse, Trafficking, and Other Maltreatment of Children
    a. As of April 17, 2023, all FBISD Trustees have met requirements, except for Mr. Garcia.
8. School Safety
    a. As of April 17, 2023, all FBISD Trustees have met requirements, except for Ms. Williams.

8. Information

A. Intruder Detection Audit Report Findings

Fort Bend ISD Police Chief David Rider shared results of the most recent Intruder Detection Audits, conducted by the Texas School Safety Center.

Rider reported that since the last update to the Board of Trustees on March 26, the District received three additional Intruder Detection Audits for three campuses. Two of the reports came back with no corrective actions, and one campus received a finding related to a mechanical room door that does not open up to the school. Chief Rider reported that training for all staff on campus, including substitute teachers on campus that day, and all other corrective measures are being completed at this time.

B. Willowridge High School Update

Dr. Kwabena Mensah introduced staff to provide an update on Willowridge High School's performance, including feedback from the TEA regarding the school's Targeted Improvement

Plan and feedback from Region 4 on the Effective Schools Framework Diagnostic. The update also included information about District-level supports provided to the campus, current academic data, and how accountability data impacts the work underway. Dr. Mensah shared that it will take some time to see the results of this planning, and the intent is to provide an update on systems in place to address deficiencies.

Dr. Rhonda Mason, the District's Coordinator of School Improvement and Executive Director in the Department of School Leadership, reminded Board members that Willowridge High School, after self-assessment, chose two levers of focus, including Lever 1: Strong School Leadership and Lever 5: Planning and Effective Instruction, and provided an overview of the ongoing monitoring cycle. Dr. Mason shared that the Willowridge High School TIP is considered proficient, the highest ranking possible based on the TEA's rubric, and feedback from Region 4 has been complimentary about the work underway at WHS.

Lisa Coston, Director of Accountability, provided an overview of how pending changes to the state's accountability system are expected to affect the work underway at Willowridge. Coston shared that the TEA timeline for determining accountability ratings will be delayed this year due to a major overhaul of the 2023 accountability system, and in addition, the STAAR assessment itself is changing. Coston shared that the District expects to receive EOC scores later in the summer, instead of May, and accountability ratings (grades) will not be available until sometime in September. Coston shared that this means that the rules of the accountability system are going to be set after the year and the TIP have been completed.

Dr. J.J. Roberts, the Willowridge High School principal, addressed Board members to provide an update on what is happening at WHS, and introduced two of the school's P-TECH scholars to share more about their experiences at the school. Dr. Roberts told Board members that the school recognizes and acknowledges that the data shows there is a lot of work to do in the classroom to address student growth and progress, but also stressed that WHS students are much more than their STAAR results. Roberts shared that WHS has students involved in all UIL sports and the school offers more than 30 clubs and organizations and many fine arts opportunities. The school is also proud to have 24 students completing their associates degree in computer science prior to their high school graduation this May. Roberts also shared an overview of WHS enrollment, staff, teacher/student attendance rates, student achievement data, and discipline rates.

Dr. Ashley Causey also shared information about the areas of focus at the school during the past year, including improving campus systems and structures, developing clear intervention programming to meet students' needs, designing a plan to meet students' college and career readiness (CCMR) needs, and designing an instructional vision for Willowridge High School. Dr. Causey also shared the next steps in the planning process, and introduced a short video made by WHS broadcasting students to share some recent school highlights.

Following the update, Board members asked questions, and provided comments and feedback. In response to questions from the Board:

- Dr. Roberts provided information about the monitoring systems that are being built to monitor instruction and PLC practices.
- Dr. Roberts provided information about the school's block scheduling and the plans underway to address student attendance, working to change mindsets while continuing to support families.

- Dr. Roberts shared that the interim STAAR assessments were conducted over a three-week period in February and March.
- Dr. Roberts shared information about the Eagle Success Academy, which has been held on Saturdays since February. Dr. Roberts shared that each Saturday has had 20-30 students in attendance and transportation and lunch/snacks are provided. Sessions are held in both the morning and the afternoon.
- Dr. Roberts shared that with the support of the District, the school has received some trend data regarding the incoming ninth graders so that the school can determine how they can support their learning and growth.
- Dr. Mensah shared that all principals within the feeder pattern are collaborating and participating in the same trainings regarding data driven instruction, and observation and feedback, to create better alignment in their efforts.
- Dr. Roberts provided background information about high school enrollment numbers, telling Board members that historically, the number of ninth grade students is larger, and the number of other classes is smaller. Dr. Whitbeck shared that some of this is also due to classification, as some students enter high school with 1-2 credits from middle school and then credits will also vary as they matriculate.
- Dr. Mensah shared that FBISD applied for and received TIP grant funding, which has been used to support WHS and some of the feeder pattern campuses. Dr. Mason shared this funding amounted to about $45,000, and some of this funding has supported the training to support vertical alignment among feeder school campuses.

During discussion, Dr. Gilliam asked that the record reflect that as a District, FBISD has to support Dr. Roberts at the campus and provide her the resources and support she needs. Board members also expressed appreciation to Dr. Roberts for her leadership.

C. Budgetary and Legislative Update

Chief Financial Officer Bryan Guinn provided a budgetary and legislative update. Guinn shared that action has been taken on some of the bills that staff has been following closely, however, the bills still have to go through a reconciliation progress so there is still some uncertainty. Guinn provided updates on House Bill 1, House Bill 3, House Bill 100, Senate Bill 8, Senate Bill 9, and Senate Bill 30, as all would have budgetary impacts.

Guinn also provided an update on the 2023-24 General Fund Outlook, which includes the key assumptions that have been shared in previous budget updates.

- The District's updated outlook includes 127 new positions for new schools, special education and student growth, which were approved by the Board of Trustees during the March meeting. Updates to the projection also include an additional $4.9 million in revenues associated with additional interest income, an increase in indirect costs primarily associated with ESSER funding, tuition-based PreK and direct federal revenues related to ROTC. Approximately $1.5 in additional expenditures have been included to the projection, including an increase in property insurance premiums and an increase from the Fort Bend Appraisal District. These changes have contributed to a change in the overall fund balance, from 82 to 84 days.
- Mr. Guinn provided Board members with budget forecasts that take current proposed legislative changes, including mandatory increases for teachers, counselors, nurses and librarians, and a scenario that also includes a 2 percent increase for other staff.

- Mr. Guinn provided an overview of key assumptions for the 2024-25 forecast, beyond the next budget year, and the initial 2024-25 budget forecast, which would call for an additional $23 million in budget reductions in order to maintain the 90-day fund balance.
- Mr. Guinn provided an update on the anticipated work that remains prior to the formal adoption of the 2023-24 budget and adjustments to the debt service and child nutrition budgets.

Following the update, Board members asked questions and provided comments and feedback.

In response to questions from the Board:

- Mr. Guinn shared information about recent flooding incidents at the FBISD administration building and Missouri City Middle School, and vehicle burglaries. Guinn shared that flooding incidents will likely have insurance proceeds to help offset the costs, however there will be a deductible that would typically come from the general fund. Guinn shared that due to the magnitude of the damage, this expenditure would be a bond or bond-contingency eligible expense, but without bond funds available, the expense would fall to the general fund and further deplete the fund balance, further restricting the district and its capability of providing funding for other things in the general fund. Guinn explained that the indirect consequences of an unsuccessful bond would be that FBISD has to use more of its general funds (M&O) to fund major repairs, and that prevents the District from providing more adequate compensation for staff.
- Mr. Guinn shared that in future budget forecasts, beyond the next academic year, the district is including ESSER funded positions that were supplanted. Because the 15 itinerant interventionists were supplemental, the District would have to add expenditures to the budget to fully incorporate those back in. Mr. Guinn clarified that the 50 literacy interventionists were previously funded in the general fund, prior to ESSER, and shifted to ESSER when those funds became available.
- Mr. Guinn shared that House Bill 1672 includes a $540 increase to the basic allotment and an annual CPI adjustment for each year. Mr. Guinn said staff believes this is the most beneficial for school districts as it stands currently.
- Mr. Guinn confirmed that House Bill 1 includes an increase to the Instructional Materials Allotment, however the district believes there will also be additional proclamations associated with the expenditures of these funds.

9. Consent Agenda

The administration pulled Item 9-A so that a correction can be made a date in the February 16 Board meeting minutes.

During discussion, the board requested that Items 9-B, 9-G, 9-K and L-5 be pulled from the consent agenda.

MOTION made by Mrs. Dae and SECONDED by Mr. Garcia to approve the Consent Agenda with the exception of 9-A, 9-B, 9-G, 9-K and L-5 as presented.

MOTION CARRIES. Ayes 7, Nays 0.

C. Consideration and approval of Instructional Materials Allotment (IMA) Proclamation 2022.
D. Consideration and approval of the recommended 2023-24 School Health Advisory

Council (SHAC) Membership Roster.

E. Consideration and approval of the 2023-24 Fort Bend ISD Designated Hazardous Traffic Conditions List and Resolution to adopt the Designated Hazardous Traffic Conditions.
F. Consideration and approval of the Low Attendance Waiver and granting the superintendent authority to approve and submit all necessary waiver requests for the 2022-23 school year.
H. Consideration and approval of an interlocal agreement with the non-profit corporation SPARK Park School Program to provide the funding and all construction services required for the enhancement of the park facilities at Rosa Parks Elementary School, and authorization for the superintendent to execute and/or terminate the agreement.
I. Consideration and approval of the use of 2018 Bond Program Contingency as proposed.
J. Consideration and approval of a budget amendment for Child Nutrition Fund for 2022-23.
L. Consideration and approval of proposed expenses that exceed $50,000: Specifically for:
    1. Consideration and approval for a revised project budget for the central plant upgrades needed at Hightower High School (PKG058) to include an additional $200,000 for a total project budget amount of $1,400,000, and utilization of Bond 2018 Program Contingency to provide the additional funds.
    2. Consideration and approval for the purchase of Child Nutrition Department Software from Cybersoft Technologies, Inc. through Choice Partners in an amount not-to-exceed $650,000, and authorization for the Superintendent to negotiate and execute the agreement through May 2027.
    3. Consideration and approval for the purchase of radio equipment and related items and services from Northwest Communications under a Choice Partners Cooperative contract and authorization for the Superintendent to negotiate and execute the agreement annually through July 2026.
    4. Consideration and approval for the purchase of police equipment, supplies and related items through various purchasing cooperatives from multiple vendors in an amount not to exceed $1,000,000 and authorization for the superintendent to negotiate and execute the agreement annually through March 2027.
    6. Consideration and approval for the lease of copier equipment from ImageNet Consulting, LLC, in an amount not to exceed $4,700,000, and authorization for the Superintendent to negotiate and execute the agreement through July 2026.
    7. Consideration and approval for the purchase of physical examinations, drug and alcohol testing services from Choice Partners and Texas Smart Buy cooperative contacts in an amount not-to-exceed $602,136, and authorization for the Superintendent to negotiate and execute the agreement annually through May 2027.
    8. Consideration and approval for the purchase of swimming pool chemicals, supplies, and equipment from the BuyBoard purchasing cooperative contract in an amount not-to-exceed $180,000, and authorization for the Superintendent to negotiate and execute the agreement through June 2026.
    9. Consideration and approval for the purchase of Child Nutrition Equipment from various vendors through Choice Partners and Omnia Partners Purchasing Cooperatives in an amount not-to-exceed $5,000,000 and authorization for the Superintendent to negotiate and execute the agreements through June 2024.

<u>Action on Items Removed from the Consent Agenda</u>

9-B Consideration and approval of Instructional Materials Allotment and TEKS Certification for 2023-24

MOTION made by Mrs. Dae and SECONDED by Mrs. Hanan to approve Item 9B as presented.

Following discussion, MOTION CARRIES, 6-1.
Ayes: Malone, Dae, Gilliam, Hamilton, Garcia, Hanan
Nay: Williams

9-G Consideration and approval of a contingent fee contract with Perdue Brandon Fielder and Mott, LLP, pursuant to the Texas Tax Code §6.30, for the collection of delinquent government receivables owed to Fort Bend Independent School District, and notice of the Board's consideration of this contract is posted with the meeting agenda in accordance with Chapter 2254 of the Texas Government Code.

MOTION made by Mrs. Dae and SECONDED by Mr. Garcia that the Board of Trustees *adopt the findings required by the Texas Tax Code Section 6.30 HMM and having considered all matters listed in Section 2254.1036 of the Texas Government Code related to contingent fee contracts and finds the statements in the agenda item are true, and I further move the Board approve the contract by and between Fort Bend Independent School District and Perdue Brandon Fielder Collins and Mott, LLP for professional legal services regarding the collection of delinquent ad valorem taxes with services to be paid in accordance with Section 6.30 of the Texas Tax Code.*

During discussion, Mr. Scamardo shared that subsequent to the Board workshop, held two weeks ago, he had a discussion with Ms. Yolanda Humphrey from Perdue Brandon who advised of a change in the law in 2019 that required the board to give specific notice that it was entering into a contingent fee contract, and make specific findings why the Board was entering into a contingent-fee contract. Mr. Scamardo shared that the motion is more detailed than ordinary because of the statutory requirement. Ms. Humphrey also clarified the 20 percent penalty fee paid by the delinquent taxpayer will be paid to the firm, and Mr. Guinn clarified that FBISD will receive the full taxes owed to the District, and the delinquent component, the 20 percent, is paid to the collection agency. Staff and Ms. Humphrey confirmed that if the firm does not collect any delinquent taxes from a taxpayer, there is no fee paid to the firm.

Following discussion, MOTION CARRIES, Ayes 7, Nays 0.

9-K Consideration and approval of Construction Methods to be utilized for the upcoming Bond Program, and approval for the superintendent to recommend the project delivery/contract award method that provides the best value to the District.

MOTION made by Dae and SECONDED by Hanan to approve Item 9-K as presented.
During discussion, Mrs. Carolina Fuzetti confirmed that the Construction Manager At Risk (CMAR) delivery method is needed to ensure that the District is able to open up the two rebuilt campuses in the fall of 2025. Fuzetti shared this method allows the District to have the architect and the contractor working together from the beginning, and the district would then adopt the fast-track method, which means the construction would start before design is complete. Fuzetti shared that Board approval of the CMAR delivery method today would allow the District to start the procurement process to then bring forward a selection for the Construction Manager At Risk in June. Staff also provided information about challenges associated with mid-year school

openings, and confirmed that future boundary planning would ultimately determine which students would attend the school.

Following discussion, MOTION CARRIES, Ayes 6, Nays 1.

Yea: Malone, Dae, Gilliam, Hamilton, Garcia, Hanan
Nay: Williams

9-L-5 Consideration and approval for the purchase of college and career planning software from SchooLinks in an amount not to exceed $1,125,000 and authorization for the Superintendent to negotiate and execute the agreements through April 2028.

MOTION by Dae and SECONDED by Hanan to approve Item 9-L-5 as presented.

During discussion, Dr. Kimberly Lawson provided information about the implementation planning, including training opportunities for students, parents and staff, and clarified that the transition does not amount to major changes for teachers. Dr. Lawson said the timeline would provide opportunities for families who want to engage in the new platform to be able to do so this summer, while the full implementation would occur in the fall. Staff also provided additional information about the platform's features, including a course guide feature to assist with student's four-year plans, a college assessment feature, and a social-emotional component to help pair students with colleges that may be a good fit.

Following discussion, MOTION CARRIES, Ayes 7, Nay 0.

Prior to convening in closed session, Mr. Scamardo clarified that the administration intended to pull Item 9-A-3, but Items 9A 1, 2 and 4 remain on the agenda for the Board's action.

9-A. Consideration and approval of the minutes of the Fort Bend ISD Board of Trustees meetings on the following dates:

1. February 9, 2023, Special Called Meeting: Facility Condition Workshop
2. February 13, 2023, Regular Business Meeting
4. March 8, 2023, Superintendent's Formative Evaluation

MOTION by Dae and SECONDED by Hanan to approve Consent Agenda Item A1, A2, and A4 as presented.

MOTION CARRIES, Ayes 7, Nays 0.

10. Convene in Closed Session

The Board convened in closed session at 9:39 p.m. under Texas Open Meetings Act, Texas Government Code, Chapter 551 under the following sections: 551.071 - For the purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized by law; Section 551.072 - Consider purchase, exchange, lease, or value of real property, Section551.074 - Personnel matters, Section 551.076 - Security matters, Section 551.082 - Student discipline matter or complaint, or Section 551.0821 - Personally identifiable information about public school student.

11. Reconvene in Open Session

The Trustees reconvened in open session at 10:13 p.m.

12. Consider Action on Closed Session Items

13. Action

A. Consideration and approval of the Joint Election Agreement and contract for Election Services ("Agreement") with Fort Bend County to coordinate and administer an election on Saturday, May 6, 2023, to elect one person to serve a full term as a Trustee in Positions 1, 4, and 5, and for the purpose of approving insurance of bonds.

MOTION by Mrs. Dae and SECONDED by Mr. Hamilton that the Board of Trustees approve the Joint Election Agreement and contract for election services with Fort Bend County to coordinate and administer an election on Saturday, May 26, 2023.

During discussion, Mr. Scamardo provided clarifying information about the District's costs associated with the election, as it is the largest entity holding an election.

Following discussion, MOTION CARRIES, 6-1.
Yea: Malone, Dae, Gilliam, Garcia, Hamilton, Hanan
Nay: Williams

B. Consideration and approval to give direction to the Superintendent regarding Board Policy EIC (Local) governing Academic Achievement: Class Ranking that was revised in 2019.

MOTION by Mrs. Dae and SECONDED by Dr. Gilliam that the Board request the Superintendent:

1. Work with the board policy committee to recommend amendments to Board Policy EIC Local with respect but not limited to the class rank system generally, ranking of students enrolled in a Program of Choice and the method of calculating class rank with such recommendations to be presented to the Board before its workshop and agenda review meeting in July.
2. Take immediate action to work with the board policy committee to make recommended policy changes that will permit all students in the Class of 2024 the option of receiving their individual class ranking upon request.

During discussion, Board members expressed concerns about the existing policy, which was adopted by a previous board, acknowledged the complexities associated with the policy, and provided feedback to the administration and fellow Board members. In response to questions from the Board, the administration provided historical information related to the policy and confirmed the feasibility of providing class rank beyond the top ten percent.

Following discussion, and with unanimous consent of the Board, MOTION WITHDRAWN.

MOTION by Mrs. Dae and SECONDED by Mr. Garcia that the Board request the superintendent to do the following:

1. Work with the board policy committee to recommend amendments to Board Policy EIC Local with respect but not limited to the class rank system generally, ranking of students enrolled in a Program of Choice and the method of calculating class rank with such

recommendations to be presented to the board in August at workshop and agenda review meeting.

2. Take immediate action to work with the board policy committee to make a recommended policy change that considers permitting all students of the Class of 2024 the option of receiving their individual class ranking upon request.

Following further discussion among Board members, Trustee Williams called for the question.

MOTION CARRIES, Ayes 4, Nays 3.
Yea: Dae, Hamilton, Garcia, Williams
Nay: Malone, Gilliam, Hanan

14. Adjournment

Having no further business before the Board, MOTION was made by Mrs. Hanan to adjourn the meeting at 11:27 p.m.

Judy Dae, President | David Hamilton, Secretary

For: Fort Bend ISD Board of Trustees
Date: July 24, 2023
Action: Consideration and Approval: Adoption and Revision of Policy EHBB(Local)
References: Board Policy BF (Local)
Department: Legal Services

Recommendation

Consideration and approval of proposed adoption and revision of local policy EHBB (Local).

Summary

The Board Policy Committee and Administration recommend the following adoption and revision of local policy:

- EHBB(Local) Special Programs: Gifted and Talented Students
  - Proposed revisions regarding gifted and talented (GT) services are updates to align the policy with the newly adopted Texas State Plan for the Education of Gifted/Talented Students.

Recommended by:

Christie Whitbeck
Superintendent of Schools

Submitted by:

Coby Wilbanks
General Counsel

Philosophy

The Board believes every student shall be inspired and equipped to reach his or her full potential in a nurturing and innovative learning environment that meets his or her unique educational, social, and emotional needs.

Referral

Students may be referred for the gifted and talented program during designated yearly referral windows by teachers, school counselors, parents, or other interested persons.

Screening and Identification Process ~~Gifted and Talented Program~~

The District shall provide assessment opportunities to complete the screening and ~~institute an equitable gifted and talented program, which will include an~~ identification process for referred students at least once per school year.

The District shall schedule a ~~to ensure student representation across all populations. The~~ gifted and talented program awareness session for parents that provides an overview~~shall provide all identified gifted and talented students the opportunity to engage in learning experiences that empower them to take responsibility for their own learning and provide appropriate levels~~ of the assessment procedures and services for the program prior to the end of the fall referral window. ~~beginning the screening and identification processchallenge and growth.~~ Campuses shall provide at least one awareness session prior to the end of the fall referral window.

~~The Superintendent shall establish administrative procedures for the gifted and talented program, admissions, furlough, and exit procedures. Campus staff shall implement the administrative procedures with consistency and fidelity. District staff shall monitor and support effective implementation of the administrative procedures.~~

~~The District shall provide opportunities for parents to learn about giftedness and best practices for meeting the needs of gifted students. The District shall also ensure that information about the District's gifted and talented program is available to parents and community members and that they have an opportunity to develop an understanding of and support for the program.~~

~~All students who reside in the District and attend private school/home school have access to the program admission, assessment, and appeals process to determine the need to receive gifted and talented services upon enrollment in the District. [See FNG]~~

~~**Program Admission**~~

~~Campus staff shall address equity and access for all students through the use of multiple data points when making referral decisions.~~

~~**Nomination**~~

~~Administrators, parents, teachers, and school counselors may nominate any District-enrolled student who is not receiving gifted~~

~~and talented services in kindergarten–grade 12 for the gifted and talented program. Students may also nominate themselves.~~

~~The Superintendent shall establish processes and guidelines designed to ensure that students from all populations in the District have access to assessment and, if identified, to services provided for the gifted and talented program.~~

Parental Consent

The District shall obtain written~~Written~~ parental consent before any special testing or individual~~shall be obtained prior to~~ assessment is conducted as part of~~and placement in~~ the screening and ~~program. The District gifted and talented~~ identification process. All student information collected~~profile created~~ during the screening and identification process shall be an educational record, subject to the protections set out in policies at FL. ~~(LOCAL).~~

~~**Criteria for**~~ **Identification Criteria**

The criteria set forth in administrative procedures shall be aligned to the state definition of gifted and talented and shall ensure the ~~equitable~~ fair assessment of students of all populations.

~~**Selection**~~

~~A campus selection committee shall be established at each campus as stated in the Texas state plan and must be comprised of a campus administrator and/or school counselor and at least three teachers who have met the training requirements for gifted and talented programs~~.

Assessments

Data will be collected through both qualitative and quantitative assessments will be to determine individual eligibility for the program. Assessment tools may include, but are not limited to, the following: cognitive ability tests, behavioral checklists completed by teachers and parents, student/parent conferences, and available student work products.

Selection

A~~The campus~~ selection committee shall evaluate each referred~~nominated~~ student according to the established criteria and shall identify those~~select~~ students ~~whose scores indicate a predominance of high ability~~ for whom placement in the gifted and talented program is the most appropriate educational setting. The committee shall be composed of at least three professional educators who have received training in the nature and needs of gifted students.~~.~~

~~The District Advanced and Enriched Learning Opportunities department shall monitor the identified District gifted and talented student population to ensure progress toward a gifted and talented program enrollment that reflects the demographics of the District~~ as required by law~~a whole~~.

Notification

The District shall provide written notification to parents of students who qualify for services through~~New Enrollment~~

When a student identified as gifted and talented by the previous public school district enrolls in the District, the student's records shall be reviewed by the campus selection committee to determine whether placement in the District's gifted and talented program. Participation in any program or services provided for gifted students shall be voluntary, and is appropriate.

When a current District gifted and talented student transfers or enrolls at a new campus within the District, services shall begin immediately upon enrollment.

Assessment

Assessment of students for the gifted and talented program shall include quantitative and qualitative data collected obtain written permission from the parents before placing a student in a gifted and talented programmultiple sources for each area of giftedness (English language arts, math, science, social studies, leadership, and creativity) to ensure the identification of gifted and talented students across all District demographics.

The District shall provide assessment opportunities to complete the screening and identification process for nominated/referred students who perform or show potential for performing at remarkably high levels of accomplishment in the areas defined in Education Code 29.121 at least once per school year.

Assessment calendar dates shall be published in administrative procedures and made available to the community.

Reassessment

Student Placement Strategies

Campuses shall implement placement strategies as identified in District procedures, including designated classrooms, cluster classrooms, and modified cluster classrooms.

The District shall not perform reassessment for students current receiving gifted and talented service in the District.

Transfer Students

Interdistrict

When a the responsibility of the student identified for gifted and talented services in a previous public school district enrolls in the District, the students records shall be reviewed by the District selection committee in accordance with District criteria to determine whether placement in the District's gifted and talented program.

[See FDD(LEGAL) for information regarding transfer students and the Interstate Compact on Educational Opportunities for Military Children]

Intradistrict

A student who transfers from one campus in the District to the same grade level at another District campus shall continue to receive services in the District's gifted and talented program.

~~The District may place on a~~The District shall provide written notification of the placement decision to parents, and, if applicable, the right to appeal the decision.

~~Participation in any program or services provided for gifted and talented students shall be voluntary, and the District shall obtain written permission from the parents prior to beginning services.~~

Learning Opportunities

The District shall facilitate the advancement of innovative and complex thinking, the exploration of self-selected curiosities, the engagement in collaborative and independent problem solving~~2~~, the pursuit of advanced-level knowledge, and the ability to show ~~mastery of~~ knowledge and skills through advance processes and products. ~~provide an array of research-based activities and learning opportunities, including multiple and varied instructional arrangements along with appropriately aligned resources for gifted and talented students in kindergarten–grade 12 that meet the needs of the whole child through social, emotional, and academic support. [See EHBB(LEGAL)] The available placements, activities, and learning opportunities shall be consistent in substance and practice for students across the District.~~

~~**Learning Opportunities**~~

Placement Strategies

Campuses shall implement placement strategies as identified in standard operating ~~District~~ procedures, including designated GT classrooms, cluster GT classrooms, and modified cluster classrooms.

~~**Notification**~~

Furlough~~s~~

The District may place on a ~~The District shall incorporate a learning plan for identified gifted and talented students. A student's learning plan can be adjusted to include additional gifted and talented services or to have services removed as appropriate for the student.~~

~~**Furlough**~~

~~A~~ furlough any ~~may be initiated by the District, the parent, or the~~ student who~~in cases where a student~~ is unable to maintain satisfactory performance or whose educational needs are not being met within the structure of the gifted and talented program as identified in standard operating procedures~~as defined by administrative procedures~~. A furlough may be ~~initiated by the~~ campus, the parent, or ~~the student.~~

initiated by the campus, the parent, or the student.

A furlough shall be grant for specified reasons and for a ~~AA furlough shall be granted by the campus selection committee for specified reasons and for a specified~~specified period of time. ~~after conferencing with the student and/or parent.~~ At the end of a~~the~~ fur-

lough, the student may reenterre-enter the gifted and talented program, be placed on another furlough, or be exited from the program.

The minimum length of time for the furlough is one semester. The maximum is one school year.

The District may reassess students identified as gifted and talented in the District's gifted and talented program who are on furlough using appropriate assessment instruments to determine appropriate program placement.

Exit Provisions

The District shall monitor student performanceStudents who have participated in response to the District's gifted and talented program services. Ifshall continue in the program unless they are unable to perform within the structure of the gifted and talented program. A student may be removed from the program at any time the campus selection committee or a parent determines it is in the best interest of the student its representatives have had a conference with the student and/or the parent and have documented the use of established exit procedures.

Students who withdraw from the District shall be administratively exited from the gifted and talented program.

Re-entry

In order to exitre-enter the program, the committee shall meet with the parent anda student before finalizing an exit decisionwho has been administratively exited must be reassessed and qualify for the program by meeting the most current gifted and talented qualification standards.

Appeals

A parent, /guardian or a student, or educator may appeal any final the initial decision of the selection committeein writing on a form provided by the District regarding selection for or exitremoval from the gifted and talented program. An iInitial aAppeals shall be made first toFor the selection committee,. and must be filed within ten days of the initial decision. Any subsequent appeals shall be made in accordance withappeal process, see FNG(LOCAL) beginning at Level Two.

Program Evaluation

The District shall conduct a program review annually to evaluate the effectiveness of the District's gifted and talented program, and the results of the evaluation shall be used to modify and update the District and campus improvement plans. The District shall include parents in the evaluation process and shall share the information with Board members, administrators, teachers, counselors, students in the gifted and talented program, and the community.

Funding

The District's gifted and talented program shall address effective use of funds for programs and services consistent with the standards in the state plan for gifted and talented students.

~~The District shall annually report to the Texas Education Agency (TEA) regarding funding used to implement the District's gifted and talented program. The District shall annually certify to TEA:~~

~~1. The establishment of a gifted and talented program by the District; and~~

~~2. That the District's program is consistent with the state plan for gifted and talented students.~~

Community Awareness

The District shall ensure that information about the District's gifted and talented program is available to parents and community members and that they have an opportunity to develop an understanding of and support for the program.~~).~~

For: Fort Bend ISD Board of Trustees
Date: July 24, 2023
Action: Voting Delegate and Alternate to TASB Delegate Assembly
Department: Board of Trustees

Recommendation

Consideration and approval of a voting delegate and alternate delegate for participation in the Texas Association of School Boards' (TASB) Annual Delegate Assembly to be held in conjunction with the TASA/TASB conference in September 2023.

Summary

The Board of Trustees may designate a delegate and an alternate to represent Fort Bend ISD in TASB's Annual Delegate Assembly. During the annual TASA/TASB convention, the TASB Delegate Assembly will participate with school board members from around the state in laying the groundwork for how TASB-your association-will take the tough advocacy issues facing Texas Public Schools.

For: Fort Bend ISD Board of Trustees
Date: July 24, 2023
Action: Consideration and Approval:
2023-24 Student Code of Conduct
References: Board Policy FO (Legal)
District Goal 4
Department: Student Affairs

Recommendation

Consideration and approval of the Student Code of Conduct for 2023-2024 school year.

Summary

Chapter 37 of the Texas Education Code mandates that the Board of Trustees adopt a Student Code of Conduct (SCC).

The SCC provides methods and options for managing behavior and disciplining students in the classroom, on school grounds, and at school-related events. The SCC provides guidance for campus administrators to address behavior and assign consequences in a fair and equitable manner in accordance with Chapter 37 and the Texas Education Data Standards (TEDS) Appendix E. The SCC also provides clarity for students and parents about offenses that require mandatory placement outside of the classroom and those in which campus and District administrators may exercise discretion.

To ensure fluidity throughout, the Administration held multiple focus groups comprised of students, parents, community members, principals, assistant principals, and Campus Behavior Coordinators. The feedback gathered from stakeholders was instrumental in revising, reorganizing, and adding more clarity of processes and verbiage to provide a more comprehensible Student Code of Conduct (listed below). The Administration has also made changes based on the definitions and coding updates outlined in TEDS Appendix E related to state discipline data reporting.

As of this afternoon, the following revisions were additionally made to the proposed 2023-2024 Student Code of Conduct.

Page	Section	2022-2023 INFO	2023-2024 INFO	Rationale
2	Accessibility	Changed Sonya Smith-Watson	Department of Student Affairs	Staff changes
2	Philosophy	Added information	The Board of Trustees has adopted a Mission Statement, a Vision Statement, Core Beliefs and Commitments, and the Profile of a Graduate, see policy AE (Local), that are the governing principles of the Fort Bend Independent School District (FBISD). These documents express the district's dedication to providing an educational system that will enable all students to reach their full potential. The district works to ensure stakeholders systematically cultivate whole child health while supporting and enriching students. The Whole Child Health philosophy, aligned	Clarification

			with the FBISD's Profile of a Graduate, exists to support and develop the mental, behavioral, social, emotional, and physical health of all students in FBISD. Students are best equipped and inspired to pursue futures beyond what they can imagine when these needs and skills are met and developed.	

2	Culture and Climate	Added information	To build a positive learning culture and climate, Fort Bend ISD utilizes targeted professional development to promote a mindset that provides learning environments that are equitable, culturally responsive, and trauma informed to meet the needs of our students. Evidenced-based behavioral/social and emotional systems or approaches such as Positive Behavioral Interventions and Supports (PBIS), Restorative Practices (RP), and Trauma Informed practices are implemented with fidelity and continuously modeled by the adults in the building, creating a welcoming school environment and sense of community. Strategies are reflected in classroom management and behavioral strategies. The Student Ownership of Behavior framework includes: •Positive Behavioral Interventions & Supports (PBIS) •Restorative Practices (RP) •Trauma Informed Care •Social Emotional Learning (SEL) •Profile of a Graduate Attributes •Dispositional Learning and Behavior •Character Traits	SEL input
11	Threat Assessment Investigations	Added Information	Graphic - flow chart of investigation	DDAC/CBC request

13	Security Personnel	Added information from policy	A district police officer shall perform law enforcement duties for the school districtthat must include protecting the safety and welfare of any person in the jurisdiction of the police officer and the property of the school district. In determining the law enforcement duties, the board shall coordinate with district campus behavior coordinators and other district employees to ensure that district police officers are tasked only with dutiesrelated to law enforcement intervention and not tasked with behavioral or administrative duties better addressed by other district employees	Align with policy CKE (local)
14	Participation in Graduation Activities	For a student who is referred for a felony or misdemeanor and charges are expected, and there is reasonable belief that a criminal offense has occurred, approval for non-participation in graduation activities must be given by the Superintendent or designee. The campus principal shall notify parents/guardians if determined that the student will not participate in any or all graduation activities.	Upon approval from the Superintendent or Assistant Superintendent of Secondary Schools, the campus principal shall notify parents/guardians ifit is determined the student will not participate in any or all graduation activities.	Align with practice
16	Dress Code - Dresses, Jumpers, Skirts, Shorts, Skorts, Pants, and Jeans	Athletic wear, which may include yoga pants, stretch leggings, and fitness tights, are permissible as long as they do not reveal undergarments, do not have sections of see- through material, or are worn with a shirt that covers the posterior, or are not disruptive to the school environment.	Athletic wear, which may include yoga pants, stretch leggings, biker shorts, and fitness tights, are permissible as long as they do not reveal undergarments, do not have sections of see- through material, or are worn with a shirt that covers the posterior, or are not disruptive to the school environment.	DDAC/CBC/Parent Thought Exchange request
17	Dress Code - Shoes	Appropriate shoes must be worn during PE/athletics classes, as well as during lab activities in science, CTE, etc.	Appropriate shoes must be worn during PE/athletics classes, as well as during lab activities in science, CTE, etc. Foam clogs, flip flops, or shoes with no back/heel strap should not be worn during these activities.	DDAC/CBC/Parent Thought Exchange request
18	Dress Code - Miscellaneous	No hats, caps, doo-rags, wave caps, bandanas or hoods worn indoors, except on campus designated days or during designated times permitted by the campus; and	No hats, caps, doo-rags, wave caps, bonnets, bandanas, or hoods worn indoors, except on campus_designated days or during designated times permitted by the campus; and	DDAC/CBC/Parent Thought Exchange request

18	Fighting	Added	A core belief of Fort Bend ISD is that student success is best achieved in a supportive climate and a safe environment. Fighting and acts of physical aggression will not be tolerated. Students are prohibited from fighting and/or engaging in physical altercations. Students that choose to participate in these behaviors are a disruption to the learning environment. • Students engaging in mutual combat shall be assigned a consequence up to and including a DAEP placement. • Students who instigate, contribute, or perpetuate fights through direct involvement or indirect involvement such as posting on social media, recording, or sharing recordings may be considered as contributing to the disruption of the learning environment and may receive consequences. • Parents and guardians are encouraged to actively monitor student's social media accounts to ensure appropriate peer to peer engagement. • Parents and students are encouraged to communicate with campus administrators regarding any potential conflict between students. FBISD is committed to providing a safe learning/working environment for all students and staff.	Priority focus
20	Misconduct Involving Possess, Sell, Use or Under the Influence	Electronic cigarettes, cartridges and any vapor pens/devices or look alike devices with nicotine;	Electronic cigarettes, cartridges and any vapor pens/devices or look alike devices with nicotine (See Mandatory DAEP offenses);	HB 114
26	Bullying	TASB	ADDED Chapter 37 provides for DAEP placement or expulsion for a student who engages in bullying that: • Encourages a student to commit or attempt to commit suicide; • Incites violence against a student through group bullying; or • Releases or threatens to release intimate visual material of a minor or of an adult student without the student's consent.	TASB

27	Bullying	Added information	"Cyberbullying" as defined in David's Law means bullying arising from a pattern of acts or one significant act that is done through the use of any electronic communication device, including a cellular or other type of telephone, a computer, a camera, electronic mail, instant messaging, text messaging, a social media application, an Internet website, or any other Internet-based communication tool. Because of David's Law, "cyberbullying" is now more specifically included in the definition of "bullying" in the Education Code. The bullying provisions in the Education Code (including pre-existing law and changes made by David's Law) apply to:Bullying that occurs on or is delivered to a school property or to the site of a school-sponsored or school-related activity on or off school property; • Bullying that occurs on a publicly or privately owned school bus or vehicle being used for transportation of students to or from school or a school-sponsored or school-related activity; • Cyberbullying that occurs off school property or outside of a school-sponsored or school-related activity if the cyberbullying interferes with a student 's educational opportunities or substantially disrupts the orderly operation of a classroom, school, or school-sponsored or school-related activity.	Policy FFI
27	Campus Action: Notice to Parents	The principal or designee shall make reasonable attempts to notify the parent or guardian of the targeted student and the alleged aggressor by the close of the school day, or no later than the next business day, after the incident is reported. The principal or designee shall notify the parent or guardian of the alleged aggressor within five business days after the date the incident is reported.	In accordance with Board policy FFI(LOCAL), the principal or designee shall make reasonable attempts to notify the parent or guardian of the targeted student and the alleged aggressor as soon as possible, but in no event more than three (3) days after the incident is reported. The principal or designee shall notify the parent or guardian of the alleged aggressor within five (5) business days after the date the incident is reported.	Policy FFI

29	Discipline of Students in Special Programs	Added information	In addition to statutory requirements for an ARD committee to conduct a manifestation determination before a student is removed for more than ten (10) days, the law states that an ARD committee must be convened specifically to review a special education student's conduct prior to assessing a disciplinary consequence for bullying, harassment, or making hit lists.	Legislative update

31-35	Behavior Intervention sand Techniques	Added information	Added Examples of Classroom and Teacher Led Responses	SEL input/PBIS strategies
43	Interim Placement	Added information	Students placed in in-school suspension on any DAEP related offense may not participate in any school sponsored or school-related extracurricular or co-curricular activities.	TASB
44	Mandatory Placement: Misconduct that Requires DAEP placement	Sells, gives, or delivers to another person or possesses, uses, or is underthe influence of marijuana, a controlled substance, or a dangerous drug in an amount not constituting a felony offense.A student with a valid prescription for low-THC cannabis as authorized by Chapter 487of the Health and Safety Code does not violate this provision. (School-related felony drug offenses are addressed in Expulsion on page 52.) (See glossary for "underthe influence" "controlled substance," and "dangerous drug.");	Sells, gives, or delivers to another person or possesses, uses, or is under the influence of a controlled substance ora dangerous drug A student with a valid prescription for low-THC cannabis as authorized by Chapter 487 of the Health and Safety Code does not violate this provision. (School-related felony drug offenses are addressed in Expulsion on page 52.) (See glossary for"under the influence" "controlled substance," and "dangerous drug."); • Students identified as having a first offense of possession, use, or under the influence of vaping with or without THC may be eligible for participation in the district's First Offense RISE program.	HB 114
44	Mandatory Placement: Misconduct that Requires DAEP placement	Sells, gives, or delivers to another person or possesses, uses, or is under the influence of marijuana, vaping with THC, or vaping not constituting a felony offense.	Sells, gives, or delivers to another person or possesses, uses, or is under the influence of marijuana, vaping with THC, or vaping with no THC, or e-cigarette.	TASB
45	DAEP at Capacity	Added information	DAEP at Capacity If a DAEP is at capacity at the time the CBC is deciding placement for conduct related to marijuana, THC, an e-cigarette, alcohol, or an abusable volatile chemical, the student shall be placed in ISS then transferred to a DAEP for the remainder of the period if space becomes available before the expiration of the period of the placement. If a DAEP is at capacity at the time the CBC is deciding placement for a student who engaged in violent conduct, a student placed in a DAEP for conduct related to marijuana THC, and e-cigarette, alcohol, or an abusable volatile chemical may be placed in ISS to make a position in the DAEP available for the student who engaged in violent conduct. If a position becomes available in a DAEP before the expiration of the period of the placement for the student	TASB

			removed, the student shall be returned to a DAEP for the remainder of the period.	
46	Consideration of Mitigating Factors	After the conference, if the student is placed in a DAEP, the campus behavior coordinator shall write a placement order. A copy of the DAEP placement order shall be sent to the student and the student's parent.	After the conference, if the student is placed in a DAEP, the campus behavior coordinator shall write a placement order. A copy of the DAEP placement order and information for the parent or person standing in parental relation to the student regarding the process for requesting a full individual and initial evaluation of the student for purposes of special education services shall be sent to the student and the student's parent.	TASB HB3928
55	Hearing	An opportunity to respond tothe allegation and to present evidence and witnesses in the student's defense; and	An opportunity to respond to the allegation and to present evidence including video footage and witnesses in the student's defense; and	DDAC/CBC/Parent Thought Exchang erequest
61	Discipline Offenses byLevel	Cheating Level I	Moved to Level II with option for School based strategies, ISS, OSS	Priority focus
63	Discipline Offenses by Level	Fighting	Opened action of DAEP	Priority focus
66	Discipline Offenses by Level	Felony Controlled Substance Felony Alcohol	Mandatory DAEP Discretionary Expulsion	HB 114
67	Discipline Offenses byLevel	Vaping with no THC	Moved to Level III and Level IV	HB 114
67	Discipline Offenses byLevel	VP and VPT	Indicate eligibility for the First Offense RISE Program	HB 114 District Response Commissioner Rule 15:1 ratio
70	Glossary	**Cheating** is defined as givingor receiving information or help on a test; possession of any unauthorized material during a test; copying another student's assignment or knowingly allowing another unauthorized student to copyfrom his/her assignment; working with others on a project that is meant to be done individually; unauthorized possession of test or quiz questions and/or answer sheets; completing an assignment, test or quiz on behalf of another student; submitting duplicate work; having someone else complete an assignment, test, or quiz on behalf of the student, or accessing a teacher edition are other examples of academic dishonesty. Using electronic devices to send or receive information as described above is also classified as cheating.	Added: other examples of academic dishonesty. Using electronic devices to send or receive information as described above or utilizing Artificial Intelligence (AI) to represent a student's original work is also classified as cheating.	Updated language

73	Glossary	Fighting/Mutual Combat is mutual intentional participation in a physical altercation. Includes but is not limited to pushing, hitting, kicking, shoving, pinching, punching, and other intentional physical confrontations	**Fighting/Mutual Combat** is mutual intentional participation in a physical altercation. Includes but is not limitedto pushing, hitting, kicking, shoving, pinching, punching, and other intentional physical confrontations. Students who initiate threatening interactions or antagonistic behavior prior to the fight will not be considered as acting in self-defense.	Clarification
73	Glossary	ADDED to harassment	Causing the telephone of another to ring repeatedly or making repeated telephone communications anonymously or in a manner reasonably likely to harass, annoy, alarm, abuse, torment, embarrass, or offend another; □ Making a telephone call and intentionally failing to hang up or disengage the connection; □ Knowingly permitting a telephone under the person's control to be used by another to commit an offense under this section.□ Making obscene, intimidating, or threatening telephone calls or other electronic communications from a temporary or disposable telephone number provided by an internet application or other technological means.	TASB HB 1427
74	Glossary	ADDED	Added: Horseplay is defined as rough or boisterous play	Clarification
75	Glossary	ADDED	Added: Leaving school is defined as leaving the campus without authorization, permission, or following appropriate campus protocols.	Clarification
75	Glossary	ADDED	Positive Behavioral Interventions and Supports (PBIS) is defined as a decision-making framework that guides the selection, integration, and implementation of evidenced based academic and behavioral practices for improving important academic and behavioral outcomes for all students.	Clarification
76	Glossary	ADDED	Restorative Practices is defined as an approach that helps strengthen relationships, build community, and prevent conflict. It is a way of being, thinking, interacting, teaching and learning centered around building relationships.	Clarification
77	Glossary	Self-defense is the use of force against another to the degree a person reasonably believes is immediately necessary to protect himself or herself. To claim self-defense, the student must (1) be without fault in provoking the encounter, (2) not act as aggressor, (3) and (3) use	Self-defense is the use of force against another to the degree a person reasonably believes is immediately necessary to protect himself or herself. To claim self-defense, the student must (1) be without fault in provoking the encounter, (2) not act as aggressor, (3) overtly expresses a reluctance to engagein mutual combat and (4) use the minimum force required to remove himself or herself	Glossary

		the minimum force required to remove himself or herself from immediate danger or harm. Actions that escalate or continue the encounter will not be considered self-defense.	from immediate dangeror harm. Actions that escalate or continue the encounter will not be considered self-defense. Threatening interactions or antagonistic behavior prior to the encounter will not be considered as self-defense.	
77	Glossary	ADDED	Serious bullying TEC Sec.37.0052 (b) defines bullying behavior as:(1) engagesin bullying that encourages a student to commit or attempt to commit suicide (2) incites violence against a student through group bullying; or (3) releases orthreatens to release intimate visual material of a minor or a student who is 18 years of age or older without the student's consent	TEC 37.0052
77	Glossary	ADDED	Serious misbehavior means; (1) Deliberate violent behavior that poses a direct threat to the health or safety of others; (2) Extortion, meaning the gaining of money or other property by force or threat; (3) Conduct that constitutes coercion, as defined by Section 1.0, Penal Code; or (4) Conduct that constitutes the offense of: a. Public lewdness under Penal Code 21.07; b. Indecent exposure under Penal Code 21.08 c. Criminal mischief under Penal Code 28.03 d. Hazing under Education Code 37.152; or e. Harassment under Penal Code 42.07(a)(1) of a student of district employee.	TASB
79	Glossary	ADDED	Trauma Informed Practices is defined as a strength-based framework grounded in an understanding of and responsiveness to the impact of trauma.	Clarification

Recommended by:

Dr. Kwabena Mensah
Chief of Schools

Submitted by:

Sonya Smith-Watson
Executive Director of Student Affairs

FBISD
INSPIRE • EQUIP • IMAGINE

Student Code of Conduct

2023-24

FBISD
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CORE BELIEFS AND COMMITMENTS

Core Belief 1: All students can reach their full potential.
Commitment: Fort Bend ISD will provide an educational system that will enable all students to reach their full potential.

Core Belief 2: We believe student success is best achieved...

…through effective teachers that inspire learning.
Commitment: Fort Bend ISD will recruit, develop and retain effective teachers.

…in a supportive climate and safe environment.
Commitment: Fort Bend ISD will provide a supportive climate and a safe learning/working environment.

…by empowered and effective leaders throughout the system.
Commitment: Fort Bend ISD will provide and promote leadership development at all levels.

…in a well-functioning, high-performing community of learners.
Commitment: Fort Bend ISD will be a collaborative, efficient and effective learning community.

MISSION AND VISION

MISSION

Fort Bend ISD exists to inspire and equip all students to pursue futures beyond what they can imagine.

VISION

Fort Bend ISD will graduate students who exhibit the attributes of the District's Profile of a Graduate.

PROFILE OF A GRADUATE

A Fort Bend ISD Graduate has a rigorous academic foundation, strong character, and is...

equipped with skills for life.

Fort Bend ISD graduates exhibit grit and determination in all aspects of life; respect self and others; engage in healthy life choices; are literate and articulate; proficient with technology; and meaningfully and practically apply knowledge in productive ways.

a servant leader.

Fort Bend ISD graduates demonstrate confidence while maintaining a humble and kind demeanor; prioritizing the needs of others while accepting responsibility for themselves and are accountable for their own actions; are optimistic; and strive to bring out the best in others.

an effective communicator.

Fort Bend ISD graduates communicate clearly both orally and in writing; respectfully and actively listen to others; appropriately engage in courageous conversations; and appropriately adapt their communication style to the audience.

a critical thinker.

Fort Bend ISD graduates are visionary and solutions-oriented problem solvers; are inquisitive and innovative; and have the courage to actively challenge conventional methods in order to improve themselves and the world around them.

a compassionate citizen.

Fort Bend ISD graduates are empathetic to their fellow citizens, exhibiting care and concern for others; are inclusive and embrace differences; are culturally aware; actively engage in improving our diverse community; exercise their right to vote; and are dependable, respectful, trustworthy, and self-disciplined.

a collaborative team member.

Fort Bend ISD graduates work effectively with others to achieve group goals; take actions that respect the needs and contributions of others; yield their own objectives to the goals of the team; and positively facilitate and contribute to teamwork.

a life-long learner.

Fort Bend ISD graduates approach life with wonder and curiosity; seek opportunities to be creative; possess a thirst for knowledge and the ability to adapt to change; and are academically prepared to pursue and attain futures beyond what they can imagine!

DISTRICT GOALS

District Goal 1
Fort Bend ISD will provide rigorous and relevant curriculum and deliver instruction that is responsive to the needs of all students.

District Goal 2
Fort Bend ISD will provide a positive culture and climate that provides a safe and supportive environment for learning and working.

District Goal 3
Fort Bend ISD will recruit, develop, and retain high quality teachers and staff.

District Goal 4
Fort Bend ISD will engage students, parents, staff, and the community through ongoing communication, opportunities for collaboration and innovation, and partnerships that support the learning community.

District Goal 5
Fort Bend ISD will utilize financial, material, and human capital resources to maximize district outcomes and student achievement.

FBISD 2023 - 2024 Instructional Calendar

INSPIRE • EQUIP • IMAGINE

August
July 31- Aug 1 ..... District Professional Learning Day
2-4 ..... Professional Learning Day/No Students
7 ..... Teacher Planning Day/No Students
8 ..... Teacher Work Day/No Students
9 ..... First Day of Classes 1st Semester

September
4 ..... Holiday/Labor Day
15 ..... Early Release- Elementary
29 ..... Professional Learning Day/No Students

October
9 ..... Holiday
10 ..... Teacher Planning Day/No Students

November
10 ..... Holiday/Veterans Day
20-24 ..... Holiday/Thanksgiving Break

December
14 ..... Early Release-MS/HS
15 ..... Early Release/All Students
18-29 ..... Holiday/Winter Break

January
1 ..... Holiday/New Year's Day
2 ..... Professional Learning Day/No Students
3 ..... Teacher Planning Day/No Students
4 ..... First Day of Classes 2nd Semester
15 ..... Holiday/Martin Luther King Jr. Day

February
15 ..... Early Release-Elem.
16 ..... Professional Learning Day/No Students
19 ..... Holiday/Inclement Weather Make-Up Day

March
1 ..... Teacher Planning Day/No Students
11-15 ..... Holiday/Spring Break
29 ..... Holiday/Good Friday

April
1 ..... Holiday/Inclement Weather Make-Up Day

May
22 ..... Early Release-MS/HS
23 ..... Early Release- All Students
24 ..... Teacher Work Day/No Students
27 ..... Holiday/Memorial Day

June
19 ..... Holiday/Juneteenth Day

July
1-5 ..... District Offices and Campuses Closed

KEY

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

This Calendar Reflects the Following	ES	MS	HS
Total Days of Instruction	173	173	173
Total Teacher Contract Days	187	187	187
Operational Minutes per Full Day	435	435	435
Operational Minutes per Early Release Days	240	270	245
Total Operational Minutes Pre-Waiver	74,475	74,595	74,495
Waiver Minutes for Professional Learning	2,100	2,100	2,100
Total Operational Min. w/ Approved Waivers	76,575	76,695	76,595
Bank of Operational Minutes	975	1,095	995

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

August 2023

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

September 2023

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

October 2023

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

November 2023

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

December 2023

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

January 2024

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

February 2024

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

March 2024

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

April 2024

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

May 2024

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

June 2024

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

July 2024

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

1st Semester Grading Period		83 Days
1st Nine Weeks	8/9 - 10/6	41
2nd Nine Weeks	10/11 - 12/15	42

2nd Semester Grading Period		90 Days
3rd Nine Weeks	1/4 - 3/8	43
4th Nine Weeks	3/18 - 5/23	47

Cultural and religious observances of families in FBISD can be accessed on the Diversity Calendar at www.fortbendisd.com/diversity.

Board Approved 2/13/23

District Campus Listings 2023-24

High Schools

Austin High School
Rachel Cortez - Principal
3434 Pheasant Creek Drive
Sugar Land, 77498
634-2000 Fax: 634-2074

Bush High School
Felicia James - Principal
6707 FM 1464
Richmond, 77407
634-6060 Fax: 634-6066

Clements High School
Brian Shillingburg - Principal
4200 Elkins Road
Sugar Land, 77479
634-2150 Fax: 634-2168

Crawford High School
Keith Fickel - Principal
801 Caldwell Ranch Blvd
Rosharon, 77583
327-6730 Fax: 327-6730

Dulles High School
Corey Stewart - Principal
550 Dulles Avenue
Sugar Land, 77478
634-5600 Fax: 634-5681

Elkins High School
Courtney Muceus - Principal
7007 Knights Court
Missouri City, 77459
634-2600 Fax: 634-2674

Hightower High School
Andre Roberson - Principal
3333 Hurricane Lane
Missouri City, 77459
634-5240 Fax: 634-5333

Kempner High School
Danielle Jackson - Principal
14777 Voss Road
Sugar Land, 77498
634-2300 Fax: 634-2378

Marshall High School
Ogechi Uwaga-Sanders - Principal
1220 Buffalo Run
Missouri City, 77489
634-6630 Fax: 634-6650

Ridge Point High School
Leonard Brogan - Principal
500 Waters Lake Blvd.
Missouri City, 77459
327-5200 Fax: 327-5201

Travis High School
Sarah Laberge - Principal
11111 Harlem Road
Richmond, 77406
634-7000 Fax: 634-7010

Willowridge High School
Jennifer Roberts - Principal
16301 Chimney Rock Road
Houston, 77053
634-2450 Fax: 634-2513

Middle Schools

Baines Middle School
Elizabeth Williams - Principal
9000 Sienna Ranch Road
Missouri City, 77459
634-6870 Fax: 634-6880

Bowie Middle School
Michael Yelvington - Principal
700 Plantation Drive
Richmond, 77406
327-6200 Fax: 327-6201

Crockett Middle School
Kyella Griffin - Principal
19001 Beechnut
Richmond, 77407
634-6380 Fax: 327-6380

Dulles Middle School
Reginald Brown - Principal
500 Dulles Avenue
Sugar Land, 77478
634-5750 Fax: 634-5781

First Colony Middle School
Jennifer Petru - Principal
3225 Austin Parkway
Sugar Land, 77479
634-3240 Fax: 634-3267

Fort Settlement Middle School
Jennifer Williams - Principal
5440 Elkins Road
Sugar Land, 77479
634-6440 Fax: 634-6456

Garcia Middle School
Cory Collins - Principal
18550 Old Richmond Road
Sugar Land, 77498
634-3160 Fax: 634-3166

Hodges Bend Middle School
Brandi Brooks - Principal
16510 Bissonnet
Houston, 77083
634-3000 Fax: 634-3028

Lake Olympia Middle School
Terence Hayden - Principal
3100 Lake Olympia Parkway
Missouri City, 77459
634-3520 Fax: 634-3549

McAuliffe Middle School
Trevor Lemon - Principal
16650 South Post Oak
Houston, 77053
634-3360 Fax: 634-3393

Missouri City Middle School
Tasha Hamilton - Principal
202 Martin Lane
Missouri City, 77489
634-3440 Fax: 634-3473

Quail Valley Middle School
Audra Ude - Principal
3019 FM 1092
Missouri City, 77459
634-3600 Fax: 634-3632

Sartartia Middle School
Cholly Oglesby - Principal
8125 Homeward Way
Sugar Land, 77479
634-6310 Fax: 634-6373

Sugar Land Middle School
LaToya Garrett - Principal
321 Seventh Street
Sugar Land, 77498
634-3080 Fax: 634-3108

Thornton Middle School
Kathryn Kargbo - Principal
1909 Waters Lake Blvd.
Missouri City, 77459
327-3870 Fax: 327-3871

Elementary Schools

Armstrong Elementary
Nancy Sanchez - Principal
3440 Independence Blvd.
Missouri City 77459
634-9410 Fax: 327-9409

Austin Parkway Elementary
Audrey Macklin - Principal
4400 Austin Parkway
Sugar Land, 77479
634-4001 Fax: 634-4014

Barrington Place Elementary @ Meadows – Grades K-2nd
Cindel Blackmer - Principal
12037 Pender Lane
Meadows Place, 77477
634-4720 Fax: 634-4734

Barrington Place Elementary @ Lakeview – Grades 3rd – 5th
Alena McClanahan - Principal
314 Lakeview Dr.
Sugar Land, 77498
634-4200 Fax: 634-4214

Bhuchar Elementary
Nikki Roberts - Principal
5503 Thompson Ferry Rd.
Missouri City, 77459
327-4400 Fax: 327-4402

Blue Ridge-Briargate Elementary
Sonya Evans - Principal
6241 McHard Road (FM 2234)
Houston, 77053
634 - 4520 Fax: 634-4533

Brazos Bend Elementary
Felicia Bolden - Principal
621 Cunningham Creek Blvd.
Sugar Land, 77479
634-5180 Fax: 634-5200

Burton Elementary
Lakisha Anthony - Principal
1625 Hunter Green Lane
Fresno, 77545
634-5080 Fax: 634-5094

Colony Bend Elementary
Stacy Brown - Principal
2720 Planters Street
Sugar Land, 77479
634 - 4080 Fax: 634-4092

Colony Meadows Elementary
Stephanie Viado - Principal
4510 Sweetwater Blvd.
Sugar Land, 77479
634-4120 Fax: 634-4136

Commonwealth Elementary
Latecha Bogle - Principal
4909 Commonwealth Blvd.
Sugar Land, 77479
634-5120 Fax: 634-5140

Cornerstone Elementary
Alexis Prudhomme - Principal
1800 Chatham Avenue
Sugar Land, 77479
634-6400 Fax: 327-6400

Drabek Elementary
April Marsters - Principal
11325 Lake Woodbridge Drive
Sugar Land, 77498
634-6570 Fax: 634-6572

Dulles Elementary
Raymond Haas - Principal
630 Dulles Avenue
Sugar Land, 77478
634-5830 Fax: 634-5843

Fleming Elementary
She'Nee Young- Principal
14850 Bissonnet
Houston, 77083
634 - 4600 Fax: 634-4615

Ferguson Elementary
Carla Patton - Principal
1300 Heritage Park Dr.
Missouri City, 77459
327-8500 Fax: 327-8502

District Campus Listings 2023-24

Elementary Schools

Glover Elementary
Clementine Arana - Principal
1510 Columbia Blue Drive
Missouri City, 77489
634-4920 Fax: 634-4934

Goodman Elementary
Jonathan Sutton - Principal
1100 West Sycamore
Fresno, 77545
634-5986 Fax: 634-6000

Heritage Rose Elementary
Gabriella Garza - Principal
636 Glendale Lakes Drive
Rosharon, 77583
327-5400 Fax: 327-5401

Highlands Elementary
Angela Dow - Principal
2022 Colonist Park Drive
Sugar Land, 77478
634-4160 Fax: 634-4176

Holley Elementary
Danielle Moss - Principal
16655 Bissonnet
Houston, 77083
634-3850 Fax: 634-3856

Hunters Glen Elementary
Lavanta Williams - Principal
695 Independence Blvd.
Missouri City, 77489
634-4640 Fax: 634-4656

Jones Elementary
Carlo Levia - Principal
302 Martin Lane
Missouri City, 77489
634-4960 Fax: 634-4974

Jordan Elementary
Kimberly Charles - Principal
17800 West Oaks Village Drive
Richmond, 77407
634-2800 Fax: 634-2801

Lakeview Elementary
Alena McClanahan - Principal
314 Lakeview Drive
Sugar Land, 77498
634-4200 Fax: 634-4214

Lantern Lane Elementary
Justin Kowrach - Principal
3323 Mission Valley Drive
Missouri City, 77459
634-4680 Fax: 634-4694

Leonetti Elementary
Joy Schwinger -Principal
1757 Waters Lake Blvd.
Missouri City, 77459
327-3190 Fax: 327-3191

Lexington Creek Elementary
Christina Hopkins - Principal
2335 Dulles Avenue
Missouri City, 77459
634-5000 Fax: 634-5014

Madden Elementary
Kristi Durham - Principal
17727 Abermore Lane
Richmond, 77407
327-2740 Fax: 327-2742

Malala Elementary
Lisa Langston - Principal
11770 W. Aliana Trace Dr.
Richmond, 77407
327-5700 Fax: 327-5701

Meadows Elementary
Cindel Blackmer - Principal
12037 Pender Lane
Meadows, 77477
634-4720 Fax: 634-4734

Mission Bend-Glen Elementary
Veronica Roberson - Principal
16053 Mission Glen Drive
Houston, 77083
634-4280 Fax: 634-4296

Mission West Elementary
Jorge Pena - Principal
7325 Clodine-Reddick Road
Houston, 77083
634-4320 Fax: 634-4334

Neill Elementary
Margaret Murphy - Principal
3830 Harvest Corner Drive
Richmond, 77406
327-3760 Fax: 327-3761

Oakland Elementary
Nancy Hummel - Principal
4455 Waterside Estates Drive
Richmond, 77406
634-3730 Fax: 634-3738

Oyster Creek Elementary
Deanna Olson - Principal
16425 Mellow Oaks Lane
Sugar Land, 77498
634-5910 Fax: 634-5925

Palmer Elementary
Kellie Clay - Principal
4208 Crow Valley Drive
Missouri City, 77459
634-4760 Fax: 634-4773

Parks Elementary
Anitra Wilson - Principal
19101 Chimney Rock Road
Fresno, 77545
634-6390 Fax: 327-6390

Patterson Elementary
Angela Wallace - Principal
18702 Beechnut Street
Richmond, 77407
327-4260 Fax: 327-4261

Pecan Grove Elementary
Kari Bruhn - Principal
3330 Old South Drive
Richmond, 77406
634-4800 Fax: 634-4814

Quail Valley Elementary
Yvette Mendoza - Principal
3500 Quail Village Drive
Missouri City, 77459
634-5040 Fax: 634-5054

Ridgegate Elementary
Marta Rivas - Principal
6015 West Ridgecreek Drive
Houston, 77053
634-4840 Fax: 634 - 4855

Ridgemont Elementary
Framy Diaz - Principal
4910 Raven Ridge Drive
Houston, 77053
634-4880 Fax: 634 - 4896

Scanlan Oaks Elementary
Lori Craig - Principal
9000 Camp Sienna Trail
Missouri City, 77459
634-3950 Fax: 634-3915

Schiff Elementary
Gregory Foulds - Principal
7400 Discovery Lane
Missouri City, 77459
634-9451 Fax: 327-9449

Seguin Elementary
Fidel Wells - Principal
7817 Grand Mission Blvd.
Richmond, TX 77407
634-9850 Fax: 327-7029

Settlers Way Elementary
Kellie Issac - Principal
3015 Settlers Way Blvd.
Sugar Land, 77479
634-4360 Fax: 634 - 4376

Sienna Crossing Elementary
Rachel Rosier - Principal
10011 Steep Bank Trace
Missouri City, 77459\
634-3680 Fax: 634-3799

Sugar Mill Elementary
Jaimie Geis - Principal
13707 Jess Pirtle Blvd.
Sugar Land, 77498
634-4440 Fax: 634 - 4459

Sullivan Elementary
Donna Whisonant - Principal
17828 Winding Waters Lane
Sugar Land, 77479
327-2860 Fax: 327-2861

Townewest Elementary
Erika Edmond - Principal
13927 Old Richmond Road
Sugar Land, 77498
634-4480 Fax: 634 - 4494

Walker Station Elementary
VACANCY - Principal
6200 Homeward Way Blvd.
Sugar Land, 77479
643-4400 Fax: 634 - 4413

Specialized Schools

Progressive High School
Tonya Curtis - Principal
1555 Independence Blvd.
Missouri City, 77489
634-2900 Fax: 634-2913

James Reese Career and Technical Center
Julia Erdie - Principal
12300 University Blvd.
Sugar Land, 77478
327-7300 Fax: 634-5700

Ferndell Henry Center for Learning
Cozette Church - Principal
138 Avenue E
Sugar Land, 77498
327-6000 Fax: 327-6001

Early Literacy Center @ Ridgemont
Kimsheka Bowie - Associate Principal
5353 Ridge Creek Circle
Houston, 77053
634-9810 Fax: 634-4382

Early Literacy Center @ Hunters Glen
Shawndreka Clemons - Associate Principal
695 Independence Blvd.
Missouri City, 77489
634-2195 FAX: 327-2217

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Fort Bend Independent School District (FBISD)
Student Code of Conduct

2023-2024 School Year

If you have difficulty accessing the information in this document because of disability, please contact the Department of Student Affairs at 281-327-2829 or email at Student.Affairs@fortbendisd.com for assistance.

Commonly Used Acronyms

The Student Code of Conduct contains various terms and referenced acronyms related to discipline. Commonly used acronyms are listed below to help better understand the content included in the Code.

AP – Assistant Principal

ARD – Admission, Review, and Dismissal

BIP – Behavior Improvement Plan

CBC – Campus Behavior Coordinator

CBD- Cannabidiol

CPS – Child Protective Services

CSTAT- Campus Student Threat Assessment Team

CTE – Career and Technical Education

DA – District Attorney

DAEP – Disciplinary Alternative Education Program

DEP-District Expulsion Program

DSA – Department of Student Affairs

DSL – Department of School Leadership

DSTAT – District Student Threat Assessment Team

FBA – Functional Behavior Assessment

IDEA – Individual with Disabilities Education Act

IEP – Individualized Education Program

ISS – In-School Suspension

JJAEP - Juvenile Justice Alternative Education Program

OSS – Out-of-School Suspension

PEIMS- Public Education Information Management System

PBIS - Positive Behavioral Interventions and Supports

PSUU – Possession, Sell, Use, Under the Influence

RISE-Resilience, Intervention, Support, and Empowerment

SCC- Student Code of Conduct

SEL – Social Emotional Learning

SRO – School Resource Officer

SST- Student Support Team

TEC-Texas Education code

TEDS-Texas Education Data Standards

TDP – Truancy Diversion Program

THC - Tetrahydrocannabinol

Student Code of Conduct

Accessibility

If you have difficulty accessing the information in this document because of disability, please contact The Department of Student Affairs at 281-327-2829 or email Student.Affairs@fortbendisd.com.

Philosophy

The Board of Trustees has adopted a Mission Statement, a Vision Statement, Core Beliefs and Commitments, and the Profile of a Graduate, see policy AE (Local), that are the governing principles of the Fort Bend Independent School District (FBISD). These documents express the district's dedication to providing an educational system that will enable all students to reach their full potential. The district works to ensure stakeholders systematically cultivate whole child health while supporting and enriching students. The Whole Child Health philosophy, aligned with the FBISD's Profile of a Graduate, exists to support and develop the mental, behavioral, social, emotional, and physical health of all students in FBISD. Students are best equipped and inspired to pursue futures beyond what they can imagine when these needs and skills are met and developed.

Culture & Climate

To build a positive learning culture and climate, Fort Bend ISD utilizes targeted professional development to promote a mindset that provides learning environments that are equitable, culturally responsive, and trauma informed to meet the needs of our students. Evidenced-based behavioral/social and emotional systems or approaches such as Positive Behavioral Interventions and Supports (PBIS), Restorative Practices (RP), and Trauma Informed practices are implemented with fidelity and continuously modeled by the adults in the building, creating a welcoming school environment and sense of community. Strategies are reflected in classroom management and behavioral strategies. The Student Ownership of Behavior framework includes:

- Positive Behavioral Interventions & Supports (PBIS)
- Restorative Practices (RP)
- Trauma Informed Care
- Social Emotional Learning (SEL)
- Profile of a Graduate Attributes
- Dispositional Learning and Behavior
- Character Traits

Purpose

The Student Code of Conduct ("Code"), as required by Chapter 37 of the Texas Education Code (TEC), provides methods and options for managing student behavior, preventing and intervening in student discipline problems, and imposing discipline.

The law requires the district to define misconduct that may—or must—result in a range of specific disciplinary consequences, including removal from a regular classroom or campus, out-of-school suspension, placement in a disciplinary alternative education program (DAEP), placement in a juvenile justice alternative education program (JJAEP), or expulsion from school.

This Student Code of Conduct has been adopted by the FBISD board of trustees and developed with the advice of the district-level planning and decision-making committee. It provides information to parents and students regarding standards of conduct, consequences of

misconduct, and procedures for administering discipline. This Code remains in effect during summer school and at all school-related events and activities outside the school year until the board adopts an updated version for the next school year.

In accordance with state law, the Code shall be posted at each school campus or shall be available for review at the campus principal's office. Additionally, the Code shall be available at the campus behavior coordinator's (CBC) office and posted on the district's website www.fortbendisd.com. Parents shall be notified of any conduct violation that may result in a student being suspended, placed in a DAEP or JJAEP, expelled, or taken into custody by a law enforcement officer under Chapter 37 of the Education Code.

Because the Student Code of Conduct is adopted by the district's board of trustees, it has the force of policy. In the event of a conflict between the Code and the Student/Parent Handbook, the Code shall prevail.

Please note: The discipline of students with disabilities who are eligible for services under federal law (Individuals with Disabilities Education Act and Section 504 of the Rehabilitation Act of 1973) is subject to the provisions of those laws.

Anti-Discrimination

The district does not discriminate against students on the basis of race, sex, national origin, disability, religion, color, or ethnicity when enforcing the provisions of this Code.

Profile of a Graduate

The Profile of a Graduate, adopted by the Board of Trustees in 2017, supports the District's Mission, Vision, and Core Beliefs and Commitments by defining the qualities a student should possess upon graduation. A FBISD Graduate has a rigorous academic foundation, strong character, and is…

…equipped with skills for life.

Fort Bend ISD graduates exhibit grit and determination in all aspects of life; respect self and others; engage in healthy life choices; are literate and articulate; proficient with technology; and meaningfully and practically apply knowledge in productive ways.

…a servant leader.

Fort Bend ISD graduates demonstrate confidence while maintaining a humble and kind demeanor; prioritizing the needs of others while accepting responsibility for themselves and are accountable for their own actions; are optimistic; and strive to bring out the best in others.

…an effective communicator.

Fort Bend ISD graduates communicate clearly both orally and in writing; respectfully and actively listen to others; appropriately engage in courageous conversations; and appropriately adapt their communication style to the audience.

…a critical thinker.

Fort Bend ISD graduates are visionary and solutions-oriented problem solvers; are inquisitive and innovative; and have the courage to actively challenge conventional methods in order to improve themselves and the world around them.

…a compassionate citizen.

Fort Bend ISD graduates are empathetic to their fellow citizens, exhibiting care and concern for others; are inclusive and embrace differences; are culturally aware; actively engage in improving our diverse community; exercise their right to vote; and are dependable, respectful, trustworthy, and self-disciplined.

…a collaborative team member.

Fort Bend ISD graduates work effectively with others to achieve group goals; take actions that respect the needs and contributions of others; yield their own objectives to the goals of the team; and positively facilitate and contribute to teamwork.

…a life-long learner.

Fort Bend ISD graduates approach life with wonder and curiosity; seek opportunities to be creative; possess a thirst for knowledge and the ability to adapt to change; and are academically prepared to pursue and attain futures beyond what they can imagine.

School District Authority and Jurisdiction

Scope

In adopting this Student Code of Conduct (SCC or this Code), the Board of Trustees has established rules, guidelines and procedures to further support a safe learning environment for all students. The SCC includes information regarding the district-wide behavior management plan, descriptions of prohibited conduct, the disciplinary options, methods, and consequences for preventing and addressing student misconduct and the process the district will follow when administering disciplinary consequences.

Students may be subject to campus, classroom including online learning platforms, such as Schoology, Edgenuity, or other forms of distance learning, transportation, extracurricular, and/or organizational rules in addition to those found in this Code. Students may face consequences under these additional rules as well as possible disciplinary action under the SCC. Further, to the extent a student engages in conduct that is not specifically addressed in this Code, the student may still be disciplined if the conduct disrupts or interferes with the educational process, learning environment, or school safety.

The SCC remains in effect during summer school and at all school related events and activities outside the school year until an updated version becomes effective for the next school year. If there is a conflict between the SCC and the Student/Parent Handbook, the terms of this Code will control. If there is a conflict between this Code and another District policy, the more recently adopted policy will control.

The SCC is posted on the district's website and is available at each FBISD school in the office of the campus principal or Campus Behavior Coordinator (CBC). District policies referenced in this Code are arranged in the Board Policy Manual posted on the FBISD website. School rules and Code establish the district's authority to administer discipline and apply whenever the interest of the district is involved, on or off school grounds, in conjunction with or independent of classes and school- sponsored activities.

The district has disciplinary authority over a student:

- During the regular school day;
- While the student is traveling on district transportation;
- During lunch periods in which a student is allowed to leave campus;
- At any school-related activity, regardless of time or location;
- For any school-related misconduct, regardless of time or location;
- When retaliation against a school employee, board member, or volunteer occurs or is threatened, regardless of time or location;
- When a student engages in cyberbullying, as defined by Education Code 37.0832;
- When criminal mischief is committed on or off school property or at a school-related event;
- For certain offenses committed within 300 feet of school property as measured from any point on the school's real property boundary line;
- For certain offenses committed while on school property or while attending a school-sponsored or school-related activity of another district in Texas;

- When the student commits a felony, as provided by Education Code 37.006 or 37.0081; or
- When the student is required to register as a sex offender.

Campus Behavior Coordinator

As required by law, a person at each campus must be designated to serve as the campus behavior coordinator (CBC). The designated person may be the principal, the Associate principal at the secondary level or any other campus administrator selected by the principal at the elementary level. The CBC is primarily responsible for maintaining student discipline. The district shall post on its website and in the Student/Parent Handbook, for each campus, the email address and telephone number of the person serving as the CBC.

Contact information may be found on the *Fort Bend ISD Website, under the* *Department of Student Affairs* webpage.

Department of Student Affairs (DSA)

The Superintendent has established the Department of Student Affairs (DSA) as a resource for students and parents/guardians to understand the expectations and rules governing student conduct, and as a liaison with campus administrators to ensure the fair and equitable application of discipline for misconduct as outlined in this Code. Under the direction of the Executive Director for Student Affairs, the DSA shall provide regular training to campus administrators on this Code, monitor trends and patterns of student misconduct, and respond to student/parent complaints and appeals concerning student discipline.

Title IX Investigations

For reports alleging sexual harassment, sexual assault, stalking, dating violence, the campus administrator receiving the report will notify the parent/guardian of the complainant when a report is received and provide the student and parent a copy of the Parent/Student Rights Form and the Incident Reporting Form. This should occur generally *on the same day as the report* when possible. If any unwanted, physical touch of intimate body parts of a minor is involved, the employee must notify Child Protective Services and law enforcement within the same business day. The employee receiving an allegation/outcry from a student must notify the campus administrator promptly and within the same business day to begin a prompt investigation of the allegations. The campus administrator will ensure that Child Protective Services and Fort Bend ISD Police Department has been notified of any unwanted and inappropriate physical touch of a Fort Bend ISD student at school or at a school-related activity. The Title IX Coordinator will also be notified by the investigating campus administrator.

The parent/guardian of the alleged aggressor will also be notified of the allegations and will receive a copy of Parent/Student Rights form as well. For campus investigations that do not involve physical touch, campus administrators will begin their investigations and take statements from the complainant, respondent, and any available witnesses, as well as review available evidence, such as available video surveillance. If the campus investigation determines that the alleged aggressor may represent a threat to the safety of the alleged victim or others, or necessitates removal from an activity or program, the campus may conduct a campus student threat assessment. For investigations that involve physical touch, campus investigations may be delayed until law enforcement investigations and interviews are completed, at which point, campus investigations may promptly resume.

Upon receipt of allegations and during the investigation, a safety plan and supportive measures will be offered immediately to both parties. This may include but are not limited to: a schedule change, increased adult monitoring, offer for counseling, and a stay away agreement.

Within 3-5 business days (for uncomplicated sexual harassment investigations), campus administrators will communicate findings to the parent/guardians in a letter to notify of findings with continued supportive measures, safety plan, and stay away agreement. If a determination of a code of conduct violation has occurred in accordance with this Code, the respondent's parent/guardian will be notified, and this action will be documented in the Skyward discipline record.

For complicated investigations that involve law enforcement and Child Advocacy Center interviews that delay campus investigations, campus administrators should complete their investigations within 3-5 business days after receipt of results from CAC interview and clearance to interview the complainant.

The complainant may request a campus transfer or may request that the respondent be transferred to another campus in situations where sexual harassment is substantiated. Transportation will not be provided in these instances.

Both the complainant and the respondent retain the right to file a formal Title IX complaint during this process. Please contact the District Title IX Coordinator, Dr. Holly Robles (281) 281-7232 holly.robles@fortbendisd.com, with any concerns or questions.

Sexual Harassment Policy DIA and FFH(LOCAL)

Sexual harassment of a student, including harassment committed by another student, includes unwelcome sexual advances; requests for sexual favors; or sexually motivated physical, verbal, or nonverbal conduct when the conduct is so severe, persistent, or pervasive that it:

- Affects a student's ability to participate in or benefit from an educational program or activity, or creates an intimidating, threatening, or hostile educational environment;
- Has the purpose or effect of substantially or unreasonably interfering with the student's academic performance; or
- Otherwise adversely affects the student's educational opportunities.

Examples of sexual harassment of a student may include, but are not limited to, sexual advances; touching intimate body parts or coercing physical contact that is sexual in nature; jokes or conversations of a sexual nature; and other sexually motivated conduct, contact, or communications, including electronic communication. Necessary or permissible physical contact such as assisting a child by taking the child's hand, comforting a child with a hug, or other physical contact not reasonably construed as sexual in nature is not sexual harassment.

Gender-Based Harassment

Gender-based harassment includes physical, verbal, or nonverbal conduct based on the student's gender, the student's expression of characteristics perceived as stereotypical for the student's gender, or the student's failure to conform to stereotypical notions of masculinity or femininity. For purposes of this policy, gender-based harassment is considered prohibited harassment if the conduct is so severe, persistent, or pervasive that the conduct:

- Affects a student's ability to participate in or benefit from an educational program or activity, or creates an intimidating, threatening, or hostile educational environment;
- Has the purpose or effect of substantially or unreasonably interfering with the student's academic performance; or

- Otherwise adversely affects the student's educational opportunities. Examples of gender-based harassment directed against a student, regardless of the student's or the harasser's actual or perceived sexual orientation or gender identity, may include, but are not limited to, derogatory jokes, name-calling, slurs, or rumors; cyber harassment; physical aggression or assault; threatening or intimidating conduct; or other kinds of aggressive conduct such as theft or damage to property.

Dating Violence Policy FFH (LOCAL)

Dating violence occurs when a person in a current or past dating relationship uses physical, sexual, verbal, or emotional abuse to harm, threaten, intimidate, or control the other person in the relationship. Dating violence also occurs when a person commits these acts against a person in a marriage or dating relationship with the individual who is or was once in a marriage or dating relationship with the person committing the offense. For purposes of this policy, dating violence is considered prohibited harassment if the conduct is so severe, persistent, or pervasive that the conduct:

- Affects a student's ability to participate in or benefit from an educational program or activity, or creates an intimidating, threatening, or hostile educational environment;
- Has the purpose or effect of substantially or unreasonably interfering with the student's academic performance; or
- Otherwise adversely affects the student's educational opportunities.

Examples of dating violence against a student may include, but are not limited to, physical or sexual assaults; name-calling; putdowns; or threats directed at the student, the student's family members, or members of the student's household. Additional examples may include, but are not limited to, destroying property belonging to the student, threatening to commit suicide or homicide if the student ends the relationship, attempting to isolate the student from friends and family, stalking, threatening a student's spouse or current dating partner, or encouraging others to engage in these behaviors.

Any student who believes that he or she has experienced prohibited conduct or believes that another student has experienced prohibited conduct should immediately report the alleged acts to a teacher, school counselor, principal, other District employee, or the appropriate District official listed in this policy.

Threat Assessment and Safe and Supportive School Team

The Texas Education Code 37.115(a)(1) requires campus behavioral threat assessment teams, tracking of actions taken relative to students who make threats, and notification of parents if threats are made. The Texas Education Code mandates a Safe and Supportive Schools Program Team.

All Fort Bend ISD campuses have trained threat assessment teams called CSTAT; Campus Student Threat Assessment Team [see Education Code 37.220] . Members include a campus administrator, school counselor, and student resource officer. The team may also include a campus staff member who is familiar with and has a rapport with student(s) involved. Threat assessments are investigative not punitive. Threat assessment is an investigative process. Parents of the victim and alleged aggressor are contacted during the investigation. Once the team determines if the threat is transient (not serious) or substantive (serious, very serious) the team must consider interventions and resources needed to ensure support for all students involved.

A threat assessment investigation may also include a safety assessment conducted by the District Student Threat Assessment Team also known as DSTAT. In accordance with TEC 37.115, policy FFB(LEGAL), and FFB(LOCAL) the District has created a District Threat Assessment Team (DSTAT) to provide guidance and assessment to campuses when dealing with substantive (serious and very serious) student threats. DSTAT will also track all threats to ensure appropriate support is provided to students and campuses and shall take appropriate action in accordance with this Code to ensure a safe and coordinated response to all student threats. The goal is to prevent campus violence, establish a safe campus experience, and provide needed additional support for the success of all students.

These actions may include:

- Development of a safety plan;
- Safety check-ins;
- Additional monitoring during transition periods; and/or
- Referral to DAEP.

Each campus shall have a Campus Student Threat assessment Team (CSTAT), coordinated by the CBC or principal that investigates threats, creates safety plans, and develops behavior interventions to reduce the risk of violence. Each Campus Student Threat Assessment Team should be comprised of, at a minimum, the CBC or principal, counselor, and School Resource Officer (SRO). Other members may include special education staff, the Campus Compliance Coordinator, investigating assistant principal, nurse, or others with knowledge of the student and behaviors. CSTAT teams are supported by the DSTAT for training, assessing student plans, and monitoring.

Threat is defined as: a concerning communication or behavior that indicates that an individual poses a danger to the safety of school staff or students through acts of violence or other behavior that would cause harm to self or others. The threat may be communicated behaviorally, orally, visually, in writing, electronically, or through any other means, and is considered a threat regardless of whether it is observed by or communicated directly to the target of the threat or observed by or communicated to a third party, and regardless of whether the target of the threat is aware of the threat.

All threats will be taken seriously and will be investigated by campus administrators or law enforcement personnel, as appropriate. There are various types of threats which include, but are not limited to, the use of threatening language or gestures, assault by threat, and terroristic threat. Disciplinary consequences and/or police action will be assessed based on the outcome of each investigation.

A student commits an offense of terroristic threat if he/she threatens to commit any offense involving violence to any person or property with intent to:

- Cause a reaction of any type by an official or volunteer agency organized to deal with emergencies;
- Place any person in fear of imminent serious bodily injury;
- Prevent or interrupt the occupation or use of a building; classroom; or place of assembly; or
- Cause impairment or interruption of school communications, power supply, or school-related transportation.

Threat Assessment Investigations

A campus may determine a need to conduct a threat inquiry or assessment as a tool for responding to threatening situations in which there is a concern about a particular student who has come to the attention of school administrators by engaging in communications or behaviors of concern. If, in the process of the inquiry, these concerns meet the criteria of "harmful, threatening, or violent behaviors," established by TEC 37.115, then a threat assessment will be conducted. In instances where this threat assessment becomes a formal Campus Student Threat Assessment Process, the principal or CBC will follow the following procedures:

If the campus administrator determines that an immediate threat is present, Fort Bend ISD Police Department and District leadership will be notified immediately. The District Student Threat Assessment Team will also be notified. Parents of any alleged victims and aggressors will be notified as soon as the alleged threat is secured in situations where immediate threat of school violence is determined. In other situations, the Campus Student Threat Assessment Team will review the threat and investigate further.

The campus administrator will convene the Campus Student Threat Assessment Team (CSTAT) initially to review the initial report and assign roles and responsibilities to obtain details regarding the allegation and student's history. The person reporting will be provided the Incident Reporting Form.

The campus administrator will meet with the student alleged to have made a threat to take the student's verbal and written statement and to determine if there is merit to the allegations and determine if there is a need to proceed, based on presenting information. Statements will be taken from the alleged victim and witnesses regarding the allegations. If the investigation indicates that no threat is present, the CSTAT may reconvene to determine that additional inquiry is unnecessary. If the alleged victim is in fear, a safety plan and stay away agreement will be developed to protect the alleged victim.

However, if the CSTAT continues to investigate and finds evidence that there may be a threat to school safety, the counselor may interview the student. The campus administrator will provide copies of Student/Parent Rights to both the aggressor and victim and their parent/guardian and notify them of the threat investigation. The CSTAT will convene to determine threat level and provide a copy of their determination to the District Student Threat Assessment Team for review within ***one business day if a substantive threat and two business days if a transient threat***.

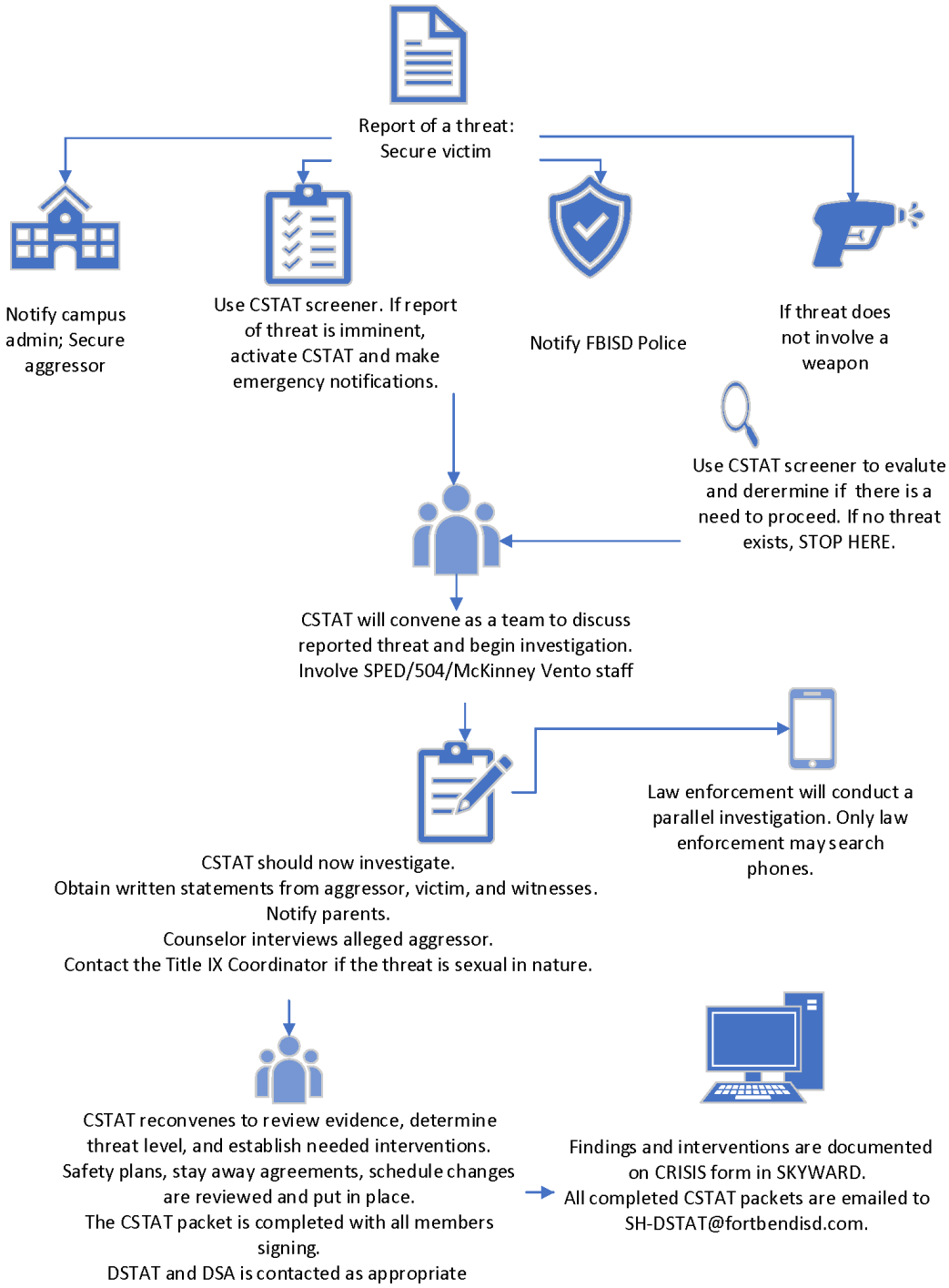
Transient threats are those that can be identified as temporary expressions of anger or frustration (or perhaps inappropriate attempts at humor) that dissipate quickly when the student reflects on the meaning of what he or she has said. Substantive threats are those that include an intent to harm someone beyond the immediate incident or creates a significant amount of fear or disruption in the school setting.

If the CSTAT determines that a transient threat was made, the students and parents/guardians of the alleged victim and aggressor will be advised of the outcome of the threat assessment. The alleged aggressor and parents/guardians will be notified if disciplinary action will be taken, and due process in accordance with this Code will be followed.

If the CSTAT determines that a substantive threat was made, the students and parents/guardians of the alleged victim and aggressor will be advised of the outcome of the threat assessment. The alleged aggressor will have an additional safety assessment promptly by a member of the District Threat Assessment Team (DSTAT) to determine what safety measures and interventions are needed to protect school safety and the alleged victim. This is not a mental health assessment, but is conducted to determine appropriate interventions, including a safety plan to protect the alleged victim, referrals to resources, development of behavioral strategies, and the development of a district-wide support plan to assist the student in deterring violence as an option to redress.

wrongs. A member of the District Threat Assessment Team may provide support for the student during an alternative school placement or long term, depending on the student's needs.

Alleged victims may request a campus transfer for substantive threats for themselves or the person threatening them through their principal or Campus Behavior Coordinator.



Searches

District officials may conduct searches of students, their belongings, and their vehicles in accordance with state and federal law and district policy. Searches of students shall be conducted in a reasonable and nondiscriminatory manner. Refer to the district's policies FNF (LEGAL) and FNF (LOCAL) for more information regarding investigations and searches.

The district has the right to search a vehicle driven to school by a student and parked on school property whenever there is reasonable suspicion to believe it contains articles or materials prohibited by the district or in violation of the Code of Conduct

Desks, lockers, district-provided technology, and similar items are the property of the district and are provided for student use as a matter of convenience. District property is subject to search or inspection at any time without notice.

Reporting Crimes

Certain acts of misconduct may constitute criminal offenses in addition to violations of this Code. The CBC, school administrators, or District employees shall report crimes as required by law and shall contact local law enforcement regarding suspected criminal activity. The CBC or school administrators will cooperate with law enforcement regarding any potential criminal activity occurring on campus, within 300 feet of campus, or at a school related or school-sponsored event. Because school discipline is independent of criminal proceedings, disciplinary consequences may not be postponed pending the outcome of any criminal proceeding or affected by the outcome of any criminal proceeding. Further, criminal charges may be referred to the Fort Bend County District Attorney (DA) by law enforcement. Referral to the DA is a function of law enforcement and not a function of school-based discipline. The campus should consult with the Department of Student Affairs when considering DAEP/expulsions for offenses committed off-campus.

Criminal Charges or Classifications

If a student is charged with a crime or engages in conduct punishable as or that contains the elements of a crime for which disciplinary actions are mandated by law, the student may be disciplined based on the law enforcement officer's classification and/or the criminal charge(s) accepted by the county district attorney (DA). Certain offenses require mandatory removal to a disciplinary alternative education program (DAEP) and while others require mandatory expulsion to a juvenile justice alternative education program (JJAEP). In some circumstances, a student may be arrested for an offense which initially requires mandatory removal to a DAEP; however, after completion of the criminal investigation, if charges are upgraded to an offense classified as an expellable offense, the school will be required to recommend expulsion based upon the officer's classification or charges being filed. Since school discipline does not have to meet the same standards of evidence as law enforcement, the disciplinary assignment is not reduced or dropped based on the outcome of the criminal case which might include a motion to dismiss, deferred adjudication, deferred prosecution, etc.

In addition, there are certain criminal charges (see pages 62-66), which occur off-campus at non-school-sponsored or non-school-related events for which the district is required to remove the student from the regular classroom setting. Upon notification from a law enforcement agency that such a crime has been committed, the school will recommend appropriate disciplinary actions. If the charges for one of these off-campus offenses are later reduced or dropped and documentation of the reduction can be provided, the district will reconsider the disciplinary action. If the charges remain and the student receives deferred adjudication or deferred prosecution, the student will be required to complete the disciplinary assignment.

Security Personnel

To ensure the security and protection of students, staff, and property, the board utilizes district police officers. In accordance with law, the board has coordinated with the campus behavior coordinator and other district employees to ensure appropriate law enforcement duties are assigned to these persons. The law enforcement duties of district peace officers are listed in policy

CKE (LOCAL).

District police officers are educators first as they have the opportunity to positively interact with students and contribute to a positive culture and climate. Police officers employed by the district shall have all the powers, privileges, and immunities. A district police officer shall perform law enforcement duties for the school district that must include protecting the safety and welfare of any person in the jurisdiction of the police officer and the property of the school district.

In determining the law enforcement duties, the board shall coordinate with district campus behavior coordinators and other district employees to ensure that district police officers are tasked only with duties related to law enforcement intervention and not tasked with behavioral or administrative duties better addressed by other district employees. All behavioral and administrative duties shall remain the responsibility of the CBC and the campus administration.

Questioning of Students by Outside Authorities

When law enforcement officers or other lawful authorities such as CPS wish to question or interview a student at school, the principal or designee will cooperate fully regarding the conditions of the interview if the questioning or interview is part of a child abuse investigation. See policy GRA (Local).

In other circumstances:

- The principal shall verify and record the identity of the officer or other authority and request an explanation of the need to question or interview the student at school;
- The principal ordinarily shall make reasonable efforts to notify the student's parents or other person having lawful control of the student. If the interviewer raises what the principal considers to be a valid objection to the notification, parents will not be notified. Failure or inability to notify the parents or other persons having lawful control of the student will not ordinarily prevent or delay questioning by law enforcement officials. The principal or designee will notify parents of the questioning, absent any reasonable objections from the interviewer;
- The principal or a designee ordinarily shall be present during the questioning or interview. If the interviewer raises what the principal considers to be a valid objection to a third party's presence, the interview shall be conducted without that person's presence; such as in a case including a criminal investigation;
- It is the police officer's responsibility to inform the student of his/her rights (Miranda Warning) when required by law. Once a police officer begins questioning a student, all responsibility for such questioning rests with the police officer.

It should be noted that, when Fort Bend ISD police officers are working with school officials or on their behalf to investigate school-related behaviors or concerns, students are not generally entitled to be read their rights ("Miranda Warnings") unless the students are under arrest during such questioning.

Fort Bend ISD will not impede the questioning of a student by a law enforcement officer who has a subpoena, court order, warrant, or directive to apprehend, or who is willing to take the child into custody and remove the child from campus for investigation regarding a non-school-related matter under Texas Family Code 52.01.

In case of removal from the campus, the law enforcement officer will be requested to follow campus procedures for checking the student out of school. However, absent one of these provisions, school personnel will request that, prior to allowing an interview for non-school-related matters, parental permission must be obtained.

Fort Bend ISD will also not impede a CPS investigation and will allow CPS case workers or law enforcement officers to question students related to a reported claim of child abuse.

Use of Trained Dogs

Students and guardians are advised that the district has adopted a policy on the use of trained dogs, as outlined below, which specifically provides that: Lockers, classrooms and common areas may be sniffed by trained dogs at any time when students are not present. Vehicles parked on school property may be sniffed by trained dogs at any time. A student in possession of contraband shall be subject to appropriate disciplinary action in accordance with this Code.

The district shall use specifically trained non-aggressive dogs to sniff out and alert officials to the current presence of concealed prohibited items, illicit substances and alcohol. See policy FNF (Legal). This program is implemented to prevent drug and alcohol use in District schools, with the objective of maintaining a safe learning environment conducive to education. Use of trained dogs shall be unannounced and shall not be used to search students. The dogs shall be used to sniff classrooms, common areas, areas around student lockers, and where student vehicles are parked on school property. If a dog alerts to a locker, a vehicle, or an item in a classroom, it may be searched by school officials.

Metal Detectors

In order to maintain a safe and secure learning environment in the District's DAEP (Disciplinary Alternative Education Program), students shall be notified when assigned to DAEP that they shall be subject to metal detector searches when entering each day.

"Parent" Defined

Throughout the Code of Conduct and related discipline policies, the term "parent" includes a parent, legal guardian, or other person having lawful control of the child.

Participation in Graduation Activities

The district has the right to limit a student's participation in graduation activities for violating the districts Code of conduct. If it is determined by the administration that any senior, during the final grading period, participates in an activity on school property or in connection with any school sponsored activity that violated this Code including, but not limited to, "senior pranks", in addition to being subject to disciplinary consequences may, at the discretion of the Superintendent or the Assistant Superintendent of Secondary Schools, be prohibited from participating in year-end graduation ceremonies. This includes, but is not limited to, commencement, prom, and Pro-Grad as well as other senior privileges. Upon approval from the Superintendent or Assistant Superintendent of Secondary Schools, the campus principal shall notify parents/guardians if it is determined the student will not participate in any or all graduation activities.

Disqualification from Graduation Activities

If a senior is charged with a felony violation of the Penal Code, and the Superintendent or Assistant Superintendent of Secondary Schools has a reasonable belief that a criminal violation has occurred, the student, in addition to being subject to disciplinary consequences specified in this Code, shall be automatically disqualified from participating in graduation ceremonies, including commencement, prom and Pro-Grad. It is important to note the difference between a charge and a referral. A referral is a notice to the District Attorney or other prosecutor recommending a criminal investigation. A charge is a formal accusation made by a governmental authority (usually a grand jury) finding that based upon the evidence presented to it, there is probable cause to believe that a crime has been committed by a criminal suspect. For a student who is referred for a felony or misdemeanor and charges are expected, and there is reasonable belief that a criminal offense has occurred, approval for non-participation in graduation activities must be given

by the Superintendent or designee. The campus principal shall notify parents/guardians if determined that the student will not participate in any or all graduation activities.

Student Speakers at Graduation

Students eligible to have a speaking role at graduation shall be notified by the campus principal. Notwithstanding any other eligibility requirements, in order to be considered eligible, a student shall not have engaged in any misconduct that resulted in an out-of-school suspension, removal to a DAEP, or expulsion during the school year immediately preceding graduation. See policy FMH (LOCAL).

Unauthorized Persons

In accordance with Education Code 37.105, a school administrator, school resource officer (SRO), or district police officer shall have the authority to refuse entry to or eject a person from district property if the person refuses to leave peaceably on request and:

- The person poses a substantial risk of harm to any person; or
- The person behaves in a manner that is inappropriate for a school setting and persistsin the behavior after being given a verbal warning that the behavior is inappropriate and may result in refusal of entry or ejection.

Appeals regarding refusal of entry or ejection from district property may be filed in accordance with policies FNG (LOCAL) or GF (LOCAL), as appropriate. However, the timelines for the district's grievance procedures shall be adjusted as necessary to permit the person to address the board in person within 90 calendar days, unless the complaint is resolved before a board hearing.

See **DAEP—Restrictions During Placement** on page 47 for information regarding a student assigned to DAEP at the time of graduation.

Standards for Student Conduct

Each student is expected to:

- Demonstrate courtesy, even when others do not;
- Behave in a responsible manner;
- Exercise self-discipline;
- Attend all classes regularly and on time;
- Bring appropriate materials and assignments to class;
- Meet district and campus standards of grooming and dress;
- Obey all campus and classroom rules;
- Respect the rights and privileges of students, teachers, and other district staff and volunteers;
- Respect the property of others, including district property and facilities;
- Cooperate with and assist the school staff in maintaining safety, order, and discipline; and
- Adhere to the requirements of the Student Code of Conduct.

Student Dress Code

The district believes the Student Dress Code shall promote the attributes of the Profile of a Graduate. Therefore, students are expected to dress in a way that promotes respect for self and

others, a safe learning environment, and honors the diversity of the learning community.

Students and parent/guardians may determine the student's personal dress and grooming standards, provided they comply with the general guidelines set forth in this Code and Board policy FNCA (Local). Generally, students shall be dressed and groomed in a manner that is clean and neat, does not cause distraction from learning, and that does not disrupt the learning environment. The district prohibits pictures, emblems, or writings on clothing that advertise or depict tobacco products, alcoholic beverages, drugs, or any other prohibited substance.

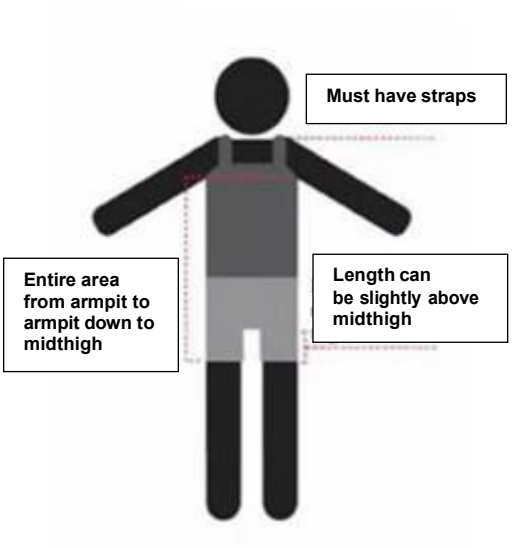
Students must comply with the following dress and grooming standards, including in online learning platforms.

Shirts, Blouses, Sweatshirts, Sweaters, Vests

- Shirts, blouses, sweatshirts, sweaters, vests that expose undergarments and/or midriff are prohibited;
- Shirts, blouses, sweatshirts, sweaters, vests must not depict or reference alcohol, drugs, tobacco, weapons, nudity, gang affiliation, death, violence, vulgar or obscene language or images, and/or insults to race, religion, gender, or ethnicity, or other emblems or writing that may be expected to cause a material or substantial disruption of, or interference with, normal school operations.

Dresses, Jumpers, Skirts, Shorts, Skorts, Pants, and Jeans

- Dresses, jumpers, skirts, and skorts may be worn at a length that is slightly above mid-thigh;
- Shorts, jeans, and all pants shall be worn at the hip or higher and must cover undergarments;
- Shorts may be worn at a length that is approximately above mid-thigh; and
- Athletic wear, which may include yoga pants, stretch leggings, biker shorts, and fitness tights, are permissible as long as they do not reveal undergarments, do not have sections of see- through material, or are worn with a shirt that covers the posterior, and are not disruptive to the school environment.



ALL STUDENTS

Clothing must cover areas from one armpit to the other armpit, down to the mid-thigh.

Tops must have shoulder straps and be long enough to adequately cover the waistline and not expose the midriff.

Shoes

- Shoes shall be worn, and if designed to be tied shall be properly tied;
- Elementary students shall not wear flip-flops, or shoes with no back/heel strap;
- Unsafe footwear is not permitted (i.e., house shoes, slippers); and
- Appropriate shoes must be worn during PE/athletics classes, as well as during lab activities in science, CTE, etc. Foam clogs, flip flops, or shoes with no back/heel strap should not be worn during these activities.

Hair

- All hair, including facial hair, shall be neat, clean, and well groomed, and worn in a style that is not distractive;
- Mustaches, beards, or goatees shall be neat, clean, and well groomed, and worn in a style that does not display derogatory remarks, symbols, or statements that disrupts the learning environment. Hair markings must not depict or reference alcohol, drugs, tobacco, weapons, nudity, gang affiliation, violence, vulgar or obscene language, or images that substantially disrupt or interfere with normal school operations. Drawings, icons, and/or other markings cut into the hair, including eyebrows, and not associated with required religious markings or hairstyles are not permitted.

Miscellaneous

- Proper undergarments shall be worn at all times;
- Revealing clothing of any type may not be worn;
- No clothing that has been ripped, torn, or cut in a way as to reveal undergarments, midriff, chest, or posterior;
- Clothing including face coverings with profanity, obscene patches, references to alcohol, drugs, weapons or tobacco, or anything that may be construed as violent, vulgar or obscene language or images, and/or insults to race, religion, gender, or ethnicity, or other emblems or writing that may be expected to cause a material or substantial disruption of, or interference with, normal school operations.
- Any attire, tattoo, icons, or markings on body, e.g. bandanas, shoelaces, chains, t-shirts, etc., that is distractive, causes a disturbance, or identifies a student as part of an unauthorized group, gang, or society are not permitted that includes but is not limited to virtual background choices.
- No pajama wear of any type except on campus designated days;
- Body piercings that are distractive or that pose a safety concern are not permitted;
- No hats, caps, doo-rags, wave caps, bonnets, bandanas or hoods worn indoors, except on campus designated days or during designated times permitted by the campus; and
- No sunglasses may be worn inside the building unless there is a medical note on file.

General Conduct Violations

The categories of conduct below are prohibited at school, in vehicles owned or operated by the district, and at all school-related activities, but the list does not include the most severe offenses. In the subsequent sections on **Out-of-School Suspension** on page 41, **DAEP Placement** on page 43, **Placement and/or Expulsion for Certain Offenses** on page 50**,** and **Expulsion** on page 52, those offenses that require or permit specific consequences are listed. Any offense, however, may be severe enough to result in **Removal from the Regular Educational Setting** as detailed on page 40.

Disregard for Authority
Students shall not:

- Fail to comply with directives given by school personnel;
- Leave school grounds or school-sponsored events without permission;
- Disobey rules for conduct in district vehicles; and/or
- Refuse to accept discipline or consequence assigned by a teacher or principal.

Fighting/Mutual Combat

A core belief of Fort Bend ISD is that student success is best achieved in a supportive climate and a safe environment. Fighting and acts of physical aggression will not be tolerated. Students are prohibited from fighting and/or engaging in physical altercations. Students that choose to

participate in these behaviors are a disruption to the learning environment.

- Students engaging in mutual combat shall be assigned a consequence up to and including a DAEP placement.
- Students who instigate, contribute, or perpetuate fights through direct involvement or indirect involvement such as posting on social media, recording, or sharing recordings may be considered as contributing to the disruption of the learning environment and may receive consequences.
- Parents and guardians are encouraged to actively monitor student's social media accounts to ensure appropriate peer to peer engagement.
- Parents and students are encouraged to communicate with campus administrators regarding any potential conflict between students.

FBISD is committed to providing a safe learning/working environment for all students and staff.

Misconduct Involving Others

Misconduct identified in the list of prohibited behaviors below will result in the assignment of one or more discipline techniques if the behavior is committed at school, in online learning platforms such as Schoology, Edgenuity, or distance learning, a school-sponsored or school related activity, during school-related travel, while traveling on District-owned or operated transportation, or when the district has disciplinary authority as described in this Code.

Students shall not:

- Use profanity or vulgar language or make obscene gestures;
- Threaten a district student, employee, or volunteer, including off school property if the conduct causes a substantial disruption to the educational environment;
- Engage in bullying, cyberbullying, harassment, or making hit lists. (See glossary for all four terms.) See policy FFI (Legal);
- Release or threaten to release intimate visual material of a minor or a student who is 18 years of age or older without the student's consent;
- Engage in sexual or gender-based harassment or sexual abuse, whether by word, gesture, or any other conduct directed toward another person, including a district student, employee, board member, or volunteer;
- Engage in conduct that constitutes dating violence (See glossary);

- Participate in hazing (See glossary);
- Coerce an individual to act through the use or threat of force;
- Commit extortion or blackmail;
- Engage in inappropriate verbal, physical, or sexual conduct directed toward another person, including a district student, employee, or volunteer;
- Record the voice or image of another without the prior consent of the individual being recorded or in any way that disrupts the educational environment or invades the privacy of others;
- Engage in conduct that can cause bodily injury (See glossary);
- Engage in horseplay, roughhousing, and other playful behavior that, though not intended to harm, presents a reasonable risk of harm or threatens the safety of others;
- Force an unwilling person to act or not act or obtaining money or another object of value from an unwilling person through duress, threats, force, extortion, coercion, or blackmail;
- Subject a student or District employee, official, or volunteer to physical harm, confinement or restraint;
- Participate in name-calling, ethnic or racial slurs, or derogatory statements that school employees reasonably believe could substantially disrupt the school environment or incite violence;
- Add any substance, whether harmful or not, without permission to any food or beverages belonging to, in the possession of, or meant to be consumed by another student or District employee, official, or volunteer;
- Engage in harassment (See glossary) toward another student or a District employee, official, or volunteer, including harassment based on race, color, religion, national origin, disability, sex, gender (including, but not limited to, sexual identity/orientation), or age;
- Engage in sexual harassment (See glossary), sexual abuse, or conduct that constitutes dating violence. See policy FFH (Legal);
- Engage in inappropriate verbal (oral or written), physical, or sexual contact toward another student or a District employee, official, or volunteer, regardless of whether it is consensual;
- Engage in inappropriate or indecent exposure of private body parts or touching one's own private body parts in a sexual manner;
- Consensually hug, touch, or conduct other displays of affection that interfere with, detract from, or disrupt the school environment;
- Engage in physical, sexual, verbal, or emotional abuse as a means to harm, threaten, intimidate, or control another person in a current or past dating relationship;
- Engage in oral or written threats to cause harm or bodily injury (See glossary) to another student, a District employee, official, or volunteer, or school property, including threats made using the internet or other technology resources at school. Students may be disciplined for threats made outside of school, including websites or internet postings, if the threat causes a material or substantial disruption at school;
- Make a hit list (See glossary);
- Wrongfully obtain and use another person's identifying information or personal data without permission in order to mislead, defraud, or deceive;
- Retaliate against a student for reporting either a violation of this Code or bullying, or participating in an investigation of a violation of this Code or bullying;
- Retaliate against any school employee; or
- Intentionally, knowingly, or recklessly causing bodily injury to another person.

Misconduct Involving Possess, Sell, Use, or Under the Influence

Possess, Sell, Use or Under the Influence of Prohibited Items

Students shall not possess, use, sell, or be under the influence of the following prohibited items:

- Matches or a lighter;
- Tobacco products;
- Electronic cigarettes, cartridges and any vapor pens/devices or look alike devices with nicotine (See Mandatory DAEP offenses);
- Fireworks or any other pyrotechnic device;
- Smoke or stink bombs;
- Laser pointers (unauthorized use);
- Chemical dispensing device (including mace or pepper spray) sold commercially for personal protection;
- A hand instrument designed to cut or stab another by being thrown;
- Poisons, caustic acids, or other materials that may be toxic to the human body;
- BB gun, air gun, stun gun, taser or similar type item;
- Ammunition, shells, bullets, or gunpowder;
- Material that is sexually-oriented, pornographic, obscene, or reveals a person's private body parts;
- Material, including published or electronic items, that promotes or encourages illegal behavior or could threaten school safety;
- Knuckles;
- Articles not generally considered to be weapons when the CBC or administrator determines that a danger exists or when used in a way that threatens or inflicts bodily injury to another;
- A razor, box cutter, a pocket knife, chain, or any other object used in a way that threatens or inflicts bodily injury to another person;
- A "look-alike" weapon that is intended to be used as a weapon or could reasonably be perceived as a weapon;
- A firearm silencer or suppressor; or
- A pocket knife with a blade of any length or any other small knife measuring <5.5 inchesfrom hilt of blade to tip of the blade.

Possess, Sell, Use or Distribute Prohibited Weapons

Students shall not possess, use, sell, or be under the influence of the following prohibited weapons:

- Chemical dispensing device (mace or pepper spray) not purposed for personal protection;
- Explosive weapon;
- Improvised explosive device;
- Machine gun;
- Short-barrel firearm;
- Armor-piercing ammunition;
- Zip gun;

- Tire deflation device;
- A firearm (See glossary) A location-restricted knife (See glossary);
- Club; or
- For weapons and firearms, see **DAEP—Placement and/or Expulsion for Certain Offenses** on page 51. In many circumstances, possession of these items is punishable by mandatory expulsion under federal or state law.

Possess, Sell, Use, or Under the Influence of Illegal, Prescription, and Over-the-Counter Drugs

- Students shall not possess, use, sell, or be under the influence of the following: illegal, prescription and over-the-counter drugs, or alcohol, or an illegal drug (see DAEP Placement/Expulsion for mandatory and permissive consequences under state law);
- Electronic cigarettes, cartridges, pods and/or any vapor pens/devices with THC, marijuana including those labeled as CBD with any amount of THC;
- Seeds or pieces of marijuana;
- Paraphernalia related to any prohibited substance (See glossary of "paraphernalia");
- Look-alike drugs or attempt to pass items off as drugs or contraband;
- Prescription drug on school property or at a school- related event other than as provided by District policy;
- Have or take prescription drugs or over-the-counter drugs at school. Specifically be under the influence of prescription or over-the- counter drugs that causes impairment of the physical or mental faculties. (See glossary, "under the influence");
- Engage in conduct that contains the elements of an offense relating to an abusable volatile chemical such as glue, aerosol paint, etc.; or
- Possessing, selling, using, or being under the influence of designer drugs, synthetic marijuana, synthetic cannabinoids (e.g. "K2" and "Spice"), stimulants (e.g."bath salts"), or analogs of any controlled substance, regardless of whether currently scheduled or classified as an illegal drug under state or federal law and regardless of whether the substance is legally sold or marketed for another purpose, and is labeled "not for human consumption."

Misconduct Involving School Environment

Safety / Disruption

Students shall not:

- Possess, use, threaten to use or exhibit a firearm;
- Discharge a fire extinguisher, pulling a fire alarm, calling 911, tampering with an Automated External Defibrillator or door safety locks, or causing the sprinkler system to activate when there is no smoke, fire, danger, or emergency;
- Make or participate in false statements or hoaxes regarding school safety;
- Engage in misbehavior, actions, or demonstrations that materially and substantially disrupts the educational process or the orderly operation of a classroom or school or that give school officials reasonable belief to believe that such conduct will incite violence;
- Throw objects that can cause bodily injury or property damage;
- Make false accusations or provide false statements concerning wrongful, unlawful, inappropriate, or illegal conduct alleged to have been committed by another student or District employee, official, or volunteer;

- Engage in verbal or written exchanges that threaten the safety or well-being of another student, a school employee, or school property;
- Contribute to the disruptive environment by recording and/or posting fights or other disruptive scenes;
- Possess published or electronic material that is designed to promote or encourage illegal behavior or that could threaten school safety; or
- Engage in verbal (oral or written) exchanges that threatens the safety of another student, a school employee, or school property.

Restroom and School Facilities

Students are expected to maintain orderly conduct in all common areas within the school. Students are expected to deter from engaging in any activity inside of FBISD restroom facilities that cause damage, destruction, or unsafe conditions.

Students shall not:

- Utilize the restroom for any actions other than those for which the restroom is intentionally designed;
- Record, photograph, or video any actions conducted in the restroom;
- Vandalize the restroom by defacing, marring, or breaking equipment within the restroom;
- Utilize restroom facilities during instructional time without permission from the classroom teacher.

Technology/Internet

Students shall not:

- Use a telecommunication device, including a cellular telephone, or other electronic device in violation of District or campus rules;
- Send, possess, or post electronic messages, videos, audio recordings, or images that are abusive, obscene, sexually oriented, harassing, threatening, intimidating, or illegal, including cyberbullying (See glossary), either on or off school property, if the conduct materially and substantially disrupts the educational process or the orderly operation of a classroom or school or infringes on the rights of another student at school;
- Violate policies, rules, or agreements signed by the student or the student's parent/ guardian regarding the use of technology resources;
- Use any device or technology to copy or capture an image or the content of any District materials (such as tests or exams) without permission of a teacher, CBC or administrator;
- Make, participate in the making of, transmit to another via an electronic device (air dropping), post or re-post to the internet a digital, video, or audio recording or image of an actual or simulated act that involves a crime or conduct prohibited by this Code;
- Use any device or technology to record the voice or image of another in any way that disrupts the educational environment, invades the privacy of others, or without the prior consent of the individual being recorded;
- Use any device or technology to record the voice or image of another to take, disseminate, transfer, circulate, exhibit, present, or share audio, images, video, or photos that reveal private parts of the body that are normally covered by clothing (aka sexting);
- Use the name, persona, or image of a student, District employee, or volunteer to create a web page or post one or more messages on a website without the other person's consentfor purposes of harassing, intimidating, embarrassing, or threatening another;

- Use email, websites, or electronic devices to engage in or encourage illegal conduct, violations of this Code, or to threaten school safety or infringes on the rights of another student at the school;
- Attempting to or successfully accessing or circumventing passwords or other security- related information of the district, officials, volunteers, employees, or other students by any means;
- Attempt to or successfully alter, destroy interrupt, intercept, or disable District technology equipment, District data, the data of other users of the district's computer system, or other networks connected to the district's system, including uploading or creating computer viruses, worms, or other harmful material;
- Copy, download, reproduce, distribute, retransmit, redisplay, or modify items from the district's website;
- Send disruptive, irrelevant or inappropriate messages or images on the internet to a large number of recipients including, but not limited to online learning platforms, social media sites and personal messaging platforms;
- Use the Internet or other electronic communications to threaten or harass district students, employees, board members, or volunteers including off school property if the conduct causes a substantial disruption to the educational environment or infringes on the right of another student at school; or
- Engage in any of the above forms of technological misconduct outside of school when such conduct causes a material or substantial disruption at school as determined by school officials.

Students will not be disciplined for technological misconduct related to possessing items described above so long as the student (1) did not contribute to creation of the item in any way, (2) possessed it only after receiving the item unsolicited from another, (3) either promptly destroyed the item or reported it to a school employee as soon as possible, and (4) did not provide a copy, forward, or re-post the item to anyone other than law enforcement, a school employee, or the student's parent/guardian.

Telecommunications and Electronic Devices

Students using mobile devices must follow the guidelines stated in this document while using the Fort Bend ISD network on school property or attending any campus-sponsored activity.

FBISD policy FNCE (LEGAL) and (LOCAL) Telecommunication devices are those that emit an audible signal, vibrate, display a message, or otherwise summon or deliver a communication to the possessor. Under no circumstances should telecommunication devices be used to take photos/videos/audio in any school facility other than for instructional purposes under the direction of a teacher or at an event open to the public. If an administrator suspects that a device may contain photos/ videos/audio taken at school or inappropriate photos/videos/audio, the photos/videos/audio will be reviewed in the presence of the student or parent/guardian prior to the device being returned to the student. Students will be required to delete school-related photos/videos/audio that were taken in violation of these guidelines. Additionally, police will be contacted if an administrator has reason to believe that a photo/videos/audio might be a violation of law. Likewise, if an administrator suspects that a telecommunication device was used in violation of these guidelines and/or for cheating, the administrator may review the call history and/or text messages in the presence of the student or parent/guardian prior to the device being returned to the student.

Elementary students in Pre-K, K, and 1st grade shall not possess a personal telecommunication device during the instructional day, while riding to/from school on District transportation, during tutorials or detention, or while participating in a school-sponsored extracurricular activity on or off

school property.

Elementary students in grades 2-5 may possess telecommunication devices; however, these devices are only to be used for instructional purposes under the direction of a teacher. These devices should be turned off and not visible at all other times during the school day on school property.

Secondary students are allowed to possess telecommunication devices with certain restrictions. In order to allow telecommunication devices on campus during the school day, the following guidelines will be required of secondary students who choose to bring these devices to school:

- Telecommunication devices may be used throughout the instructional day primarily for educational purposes at the direction of the teacher. Specific classroom rules may establish procedures for restricting cell phone use during instructional time. Devices that include phone and texting features should be in the "silent" mode and should not be distracting such as flashing lights to alert a call or message during the instructional day;
- Students should not use the devices to receive or place personal calls or send/read personal messages during engaged instructional time;
- The use of telecommunication devices in locker rooms and restroom areas at any time while at school or at a school-related or school-sponsored event is strictly prohibited.
- Telecommunication devices should not be used during disciplinary placements including detention and ISS;
- Telecommunication devices used for sexting, contributing to the disruption of the educational environment by filming or posting fight videos, or transmitting pornographic material will be assessed for discipline as appropriate and up to and including a criminal referral;
- If a student brings a telecommunication device to school, it is the student's responsibility to keep the item secure. The school will not be responsible for telecommunication devices that are damaged, lost or stolen; however, as with other personal property brought to school, administrators will conduct investigations as time permits in an effort to recover lost/stolen items or to determine the person(s) responsible for damages, and will assess discipline as appropriate;
- Ensuring that school officials, law enforcement officers and other emergency agencies will have adequate means of communication during an emergency is of utmost importance to the safety of all students. Therefore, students are asked to turn off telecommunication devices and to not make phone calls or send/receive text messages during an emergency situation that occurs at school until the crisis stage is over unless they are instructed to do so by a staff member or an emergency responder. Students will participate in emergency drills to prepare for these situations. (Parents are asked to refrain from making calls to the school since there are only a few phone lines into the school, and these phone lines are strategic in communicating with emergency responders. In addition, parents are asked to refrain from calling telecommunication devices or sending text messages to keep the airwave frequencies open for emergency responders. As soon as feasible, school personnel will allow students to make phone calls to parents.
- Violation of the telecommunication device guidelines during the administration of any state or major course assessment may result in an invalid assessment and/or will be regarded as cheating. The student's test will be invalidated with appropriate disciplinary action assessed.

Noncompliance

The following will occur when a student is not in compliance with the guidelines:

If a student uses a mobile device during a time or place in which authorization to use has been denied, the device will be confiscated by a teacher or administrator. Upon the student's first or second violation, the device is returned at the end of the day. At the third and all subsequent violations, the parent may pick up the confiscated device at the end of day after a payment is made to the campus activity account fund. All payments made to the campus activity account fund will be used for activities that directly benefit FBISD students at the campus where the funds were collected. If device is kept because of an investigation, parent contact is made before the end of the day so that they are aware their child will not have their phone. Confiscation is defined as the device being taken up by an adult and turned into administration per campus procedures. A teacher taking up a device during class and giving it back to the student at the end of the period is not counted as a confiscation. The student who violates the telecommunication device guidelines will be assessed a disciplinary consequence at Level I for first and second offense(s) and at Level II for third and subsequent offense(s). Failure to relinquish a telecommunication device when asked to do so will result in escalated disciplinary consequences for insubordination.

Unclaimed Telecommunication Devices

If a telecommunication device is not reclaimed by the parent/ guardian within 30 days of the date of notification or the end of the school year (whichever is later), notice will be given to the company whose name and address or telephone number appears on the telecommunication device indicating that the device will be disposed of as allowed by State law.

Misconduct Involving General Code of Conduct

Property Offenses

Students shall not:

- Steal from others, including the district;
- Commit or assisting in a robbery, theft, or burglary that is not punishable as a felony;
- Damage, destroy, or vandalize property owned by others or the district. (For felony criminal mischief, see **DAEP—Placement and/or Expulsion for Certain Offenses** on page 51.);
- Attempt to start or start a fire on or in any property owned, used, or controlled by a student, the district, or district employees, officials, or volunteers that does not rise to the level of arson or criminal mischief;
- Enter, without authorization, District facilities that are not open for operations;
- Deface or damage school property, including textbooks, technology and electronic resources, lockers, furniture, and other equipment, with graffiti or by other means; or
- Commit or assist in a robbery or theft, even if it does not constitute a felony according to the Penal Code. (For felony robbery, aggravated robbery, and theft, see **DAEP—Placement and/or Expulsion for Certain Offenses** on page 51.)

Disregard for District and Campus Rules

Students shall not

- Be insubordinate or otherwise fail to comply with lawful directives given by school personnel;
- Attempt to or successfully evade, avoid, or delay questioning by a school official;
- Fail to provide proper identification including the wearing of a District-provided identification badge;
- Attempt to violate or assisting, encouraging, promoting, or attempting to assist another student in violating this Code;
- Fail to immediately report to a school employee knowledge of a device, object, substance,

or event that could cause harm to self or others;

- Be tardy to class or arriving late to school (unexcused);
- Skip school or class without the district's or parent/guardian's permission;
- Leave class, the campus, or school events without permission;
- Entice or prevent another student from attending school, class, or a school activity the student is required to attend;
- Violate rules for conduct on school owned or operated transportation;
- Violate rules for operating or parking a motor vehicle on school property;
- Engage in academic dishonesty, including cheating, copying the work of another, plagiarism, or unauthorized collaboration with another person in preparing an assignment;
- Fail to comply with guidelines applicable to student speakers who are speaking at school sponsored or school-related events;
- Violate other campus or classroom rules for behavior or District policies;
- Refuse to accept discipline techniques assigned by a teacher, CBC or administrator; or
- Conduct unauthorized communication between students during an examination.

Miscellaneous

Students shall not

- Violate dress code standards;
- Use any method to cheat, provide answers or promote academic dishonesty;
- Use profanity, vulgar language, or obscene gestures;
- Falsify, alter forge or destroy school records, passes, other school related documents or documents presented to school officials;
- Gamble or bet money or other things of value;
- Engage in inappropriate exposure of a student's private body parts which are ordinarily covered by clothing, including through such acts as mooning, streaking, or flashing;
- Run in the hallways or other areas which may impact the learning environment;
- Repeatedly sleep in class;
- Fail to follow directions and safety requirements in designated areas as designated by campus staff; or
- Repeatedly violate other communicated campus or classroom standards of conduct including those in online learning platforms.

The district may impose campus or classroom rules in addition to those found in the Code. These rules may be posted in classrooms or given to the student and may or may not constitute violations of the Code.

Bullying See Glossary

Reporting Allegations of Bullying and Cyberbullying

Any student who believes that they are a victim of bullying, cyberbullying or retaliation or believes that another student is being bullied should immediately report the alleged acts to a teacher, counselor, campus administrator, or other district employee. Additionally, any parent who believes that their student is being bullied, cyberbullied or retaliated against should report alleged acts to their student's teacher, counselor or campus administrator.

Anyone who observes, overhears, suspects, or receives notice of bullying, cyberbullying, or retaliation shall immediately notify the principal or designee. Reports of bullying may be done by phone, in person, or by email. Additionally, students and parents can report allegations of bullying using *Let's Talk Bullying*. *Let's Talk Bullying* gives students and parents the choice to report bullying anonymously.

Chapter 37 provides for DAEP placement or expulsion for a student who engages in bullying that:

- Encourages a student to commit or attempt to commit suicide;
- Incites violence against a student through group bullying; or
- Releases or threatens to release intimate visual material of a minor or of an adult student without the student's consent.

"Cyberbullying" as defined in David's Law means bullying arising from a pattern of acts or one significant act that is done through the use of any electronic communication device, including a cellular or other type of telephone, a computer, a camera, electronic mail, instant messaging, text messaging, a social media application, an Internet website, or any other Internet-based communication tool. Because of David's Law, "cyberbullying" is now more specifically included in the definition of "bullying" in the Education Code. The bullying provisions in the Education Code (including pre-existing law and changes made by David's Law) apply to:

- Bullying that occurs on or is delivered to a school property or to the site of a school-sponsored or school-related activity on or off school property;
- Bullying that occurs on a publicly or privately owned school bus or vehicle being used for transportation of students to or from school or a school-sponsored or school-related activity;
- Cyberbullying that occurs off school property or outside of a school-sponsored or school-related activity if the cyberbullying interferes with a student 's educational opportunities or substantially disrupts the orderly operation of a classroom, school, or school-sponsored orschool-related activity.

Campus Action

Notice to Parents

In accordance with Board policy FFI(LOCAL), the principal or designee shall make reasonable attempts to notify the parent or guardian of the targeted student and the alleged aggressor as soon as possible, but in no event more than three (3) days after the incident is reported. The principal or designee shall notify the parent or guardian of the alleged aggressor within five (5) business days after the date the incident is reported.

Responding to Allegations of Bullying and Cyberbullying

In accordance with Board policy FFI(LOCAL), upon receiving a bullying allegation, the campus will provide the parent of the alleged targeted student *and* the alleged aggressor student with a Notice of Student Parent Rights and decide the immediate actions that should be taken to ensure student safety (e.g., separating the students, disciplining the student(s), contacting CPS, and notifying Special Education, if the student receives Special Education services.

If an allegation of bullying is reported anonymously the campus will contact the alleged targeted student and their parents and inform them that an allegation has been reported. The campus administrator will start a preliminary investigation and if the allegation is believed to have potential merit, the campus will follow the procedures for responding to bullying allegations.

Investigating Allegations of Bullying and Cyberbullying

As part of the campus administrator's investigation into the reported allegations, they will obtain details from each person who was involved or saw the incident. This will include speaking with the students, parents, and any witnesses. The campus will make a final determination of whether bullying has occurred. The investigation results will be shared with both the alleged targeted student and parent and the alleged aggressor student and parent. The campus investigative process will be completed within five days and written notice of the determination will be provided to the alleged targeted student and parent and the alleged aggressor student and parent.

Concluding the Investigation

Absent extenuating circumstances, the investigation should be completed within five district business days from the date of the initial report alleging bullying; however the principal or designee shall take additional time if necessary to complete a thorough investigation.

The principal or designee shall prepare a final, written report of the investigation. The report shall include a determination of whether bullying occurred and, if so, whether the victim used reasonable self-defense. A copy of the report shall be sent to the Superintendent or designee.

Improper Conduct

If the investigation reveals improper conduct that did not rise to the level of prohibited conduct or bullying, the district may take action in accordance with the Student Code of Conduct or any other appropriate corrective action.

District Action

If the results of an investigation indicate that bullying occurred, the district shall promptly respond by taking appropriate disciplinary or corrective action in accordance with the District's Student Code of Conduct and may take corrective action reasonably calculated to address the conduct.

Student Safety Plans and Disciplinary Consequences

During a bullying investigation, the campus administrator can implement a student safety plan.

The student safety plan may remain in place at the conclusion of the bullying investigation if bullying has been determined or at the campus administrator's discretion. A student safety plan describes actions that are non-disciplinary, non-punitive actions designed to protect the safety of all students involved.

A student safety plan can include, but is not limited to:

- Conflict resolution conducted by campus staff;
- Counselor check-in;
- Class or schedule changes; or
- Stay away agreement.

Disciplinary consequences can include, but are not limited to:

- Behavior contract;
- Classroom based responses;
- Detention;
- Conflict resolution;
- Check In with School Counselor;
- FBA/Behavior Planning;
- Mentoring Program;
- Referral to Mental Health Services;
- Referral to SST (Tiered Support Team Interventions);
- Referral to Behavioral Health Team;

- Restitution;
- Restorative Practices;
- Saturday detention;
- Withdrawal of privileges;
- In-school suspension;
- Out of school suspension; or
- Depending on the severity, placement at the Disciplinary Alternative Education Program (DAEP).

Counseling

The principal or designee shall notify the targeted student, aggressor, and any students who witnessed the bullying of available counseling options.

School-Wide Corrective Actions

Corrective action may include but is not limited to:

- A training program for the individuals involved in the complaint;
- A comprehensive education program for the school community;
- Follow up inquiries to determine whether any new incidents or any instances of retaliation have occurred;
- Involving parents and student in efforts to identify problems and improve the school climate;
- Increasing staff monitoring of areas where bullying has occurred; and
- Reaffirming the District's policy against bullying.

Consideration for Students Receiving Special Education Services

Campus administrators will consult with Special Education Services personnel and the ARD committee before implementing disciplinary consequences for a student receiving special education services that has engaged in bullying.

Campus administrators must convene the ARD committee before a change in placement or transfer may be approved under Education Code 37.004. Additional options for the student may be discussed with Special Education Services personnel.

Confidentiality

The district shall respect the privacy of the person submitting the report, targeted student, persons against whom a report is filed, aggressor, and witnesses to the greatest extent possible. Limited disclosures may be necessary in order to conduct a thorough investigation.

Appealing a Bullying Determination

A student or parent who is dissatisfied with the outcome of the bullying investigation may appeal through FOD (LOCAL).

False Reporting

A student who intentionally makes a false claim, offers a false statement, or refuses to cooperate with a campus or District investigation regarding bullying, cyberbullying, or retaliation shall be subject to appropriate disciplinary action according to the Student Code of Conduct. A student who forwards, repeats or retweets telephone, computer, camera, electronic mail, instant messaging, text messaging, social media application, Internet website or any other Internet-based communication that is false or infringes upon the rights of the targeted student may be disciplined according to the Student Code of Conduct.

Behavior Management Techniques

Behavior Management shall be designed to improve conduct and encourage students to be responsible members of the school community. Corrective actions shall draw on the professional judgment of teachers and administrators and on a range of discipline management techniques, including restorative practices. Discipline shall be based on the seriousness of the offense, the student's age and grade level, the frequency of misbehavior, the student's attitude, the effect of the misconduct on the school environment, and statutory requirements.

Students with Disabilities

The discipline of students with disabilities is subject to applicable state and federal law in addition to the Student Code of Conduct. Students identified under SPED or 504 are not excluded from the expectations of the SCC and are not exempt from appropriate disciplinary actions. In the event of any conflict, the district shall comply with federal law. For more information regarding discipline of students with disabilities, see policy FOF (LEGAL).

In accordance with the Education Code, a student who receives special education services may not be disciplined for conduct meeting the definition of bullying, cyberbullying, harassment, or making hit lists (See glossary) until an ARD committee meeting has been held to review the conduct and the offense is not a manifestation of the student's disability.

In deciding whether to order suspension, DAEP placement, or expulsion, regardless of whether the action is mandatory or discretionary, the district shall take into consideration a disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct.

School personnel may remove a student with a disability who violates a student code of conduct from his or her current placement to an appropriate interim alternative educational setting, another setting, or suspension, for not more than ten consecutive school days, to the extent those alternatives are applied to children without disabilities. 20 U.S.C. 1415(k)(1)(B); 34C.F.R. 300.530(b)(1), see policy FOF (Legal).

Discipline of Students in Special Programs

Students eligible for services under the Individuals with Disabilities Education Act (IDEA) or Section 504 of the Rehabilitation Act of 1973 are subject to discipline in accordance with those laws. Except as provided by law, a student who receives special education services may not be disciplined in a manner that is a change of placement for conduct prohibited by this Code until after an ARD has been held to review the conduct and determined the behavior is not a manifestation of the student's disability. See policy FOF (LEGAL) in deciding whether to order suspension, DAEP placement, or expulsion, regardless of whether the action is mandatory or discretionary, the District shall take into consideration a disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct. For more information, please review the Special Education Administrative Procedures posted on the district's website or contact the Executive Director of Special Education and Learning Support Services. If the district takes disciplinary action that constitutes a change of placement for a student with a disability, the district has 10 days after the change in placement to:

- Seek consent from the parent to conduct a functional behavior assessment (FBA) if the student has never had an FBA or the existing FBA is more than one year old,
- Review any previous FBAs and/or behavior intervention improvement plans (BIPS), and
- Develop a BIP or revise the existing one, as necessary
- If an offense includes an alleged aggressor with disabilities, support services and safety measures such as separation of alleged aggressor and alleged targeted student will be put in place pending special education case manager review.

In addition to statutory requirements for an ARD committee to conduct a manifestation determination before a student is removed for more than ten (10) days, the law states that an ARD committee must be convened specifically to review a special education student's conduct prior to assessing a disciplinary consequence for bullying, harassment, or making hit lists.

Behavior Interventions and Corrective Techniques

Interventions and Behavior Management practices may be used to correct the misbehavior. If a student displays maladaptive behaviors, behavioral supports would be added as opposed to practices that invoke exclusionary measures with less additional supports. Students develop self-discipline and coping strategies that deter future misconduct and fosters stronger relationships between the students and staff. Behavior Management practices is a whole- school, relational approach to building school climate and addressing student behavior that fosters belonging over exclusion, social engagement over control, and meaningful accountability over punishment.

Below are examples of appropriate classroom management techniques that can be implemented to correct minor misconduct before an office referral is warranted.

Consequences should be tailored to address individual circumstances; therefore, they may be listed below in more than one level. The majority of student misconduct is best addressed within a classroom setting. This model maintains a positive learning environment and affords students opportunities to learn from their mistakes, repair harm, and restore relationships disrupted by their inappropriate behavior. We encourage the implementation of lower-level interventions before proceeding to most intensive interventions that may result in classroom removals.

Level 1	**Examples of Classroom and Teacher Led Responses**	
	Level 1 responses should teach appropriate behavior so students can learn to foster a mutual respect in a safe environment. At Level 1, teachers are encouraged to implement a variety of classroom management strategies. These responses can include but are not limited to:	
	Redirection/	
	Reteach expectations	Student/parent conferencing
	Restorative Practices	Parent/guardian outreach
	Peer mediation	School based mentoring
	Conflict Resolution	Check in with school counselor

	The goal is to build relationship, regain cooperation, self-regulation and help promote self-awareness.
Level 2	Tier 2 interventions are a more targeted approach. A teacher referral may be utilized for any serious incident or incident that may impact student's safety. These Level 2 responses can include but are not limited to: **Classroom Based Responses:** Behavioral Contract Check ins with school counselor Temporary removal from class Restorative chats Conflict Resolution Classroom Management Techniques **Teacher Referred:** Consequences applied as administration support FBA/Behavior planning Referral to Mental Health Referral to Behavior Health team Loss of privileges Restitution Peer mediation Referral to SST
All decisions related to intensive interventions are encouraged by the SST with members working together to promote positive changes. The SST uses a problem-solving approach to help the student become more successful in school.	

Additional Behavior Management Techniques

Behavior Management shall be designed to improve conduct and to encourage students to adhere to their responsibilities as members of the school community. Disciplinary action shall draw on the professional judgment of teachers and administrators, and on a range of discipline techniques, including restorative practices. Corporal punishment is not permitted in FBISD. See policy FO (Local).

Infraction	Teacher Behavior Management Techniques	Student Ownership Action Techniques
Graffiti or property damage	• Contact with Teacher/Parent to discuss restitution opportunities for students to repair harm by cleaning, repairing, repainting, and/or paying for damages • Assign campus service project opportunities	• Write an apology letter from the student
Putdowns, gossip, or interpersonal conflicts	• Develop shared commitments with the student in a way that provides support, coaching and modeling to children using affective statements. Affective statements are a way to communicate to another person on how they have affected you by their behavior, either positively or negatively. • Sentence stem: I feel…because…. • Teach self-regulation • Use Social Emotional Learning (SEL) dispositions to teach problem solving	• Write a letter of apology to the individual(s) harmed; write a reflection paper on how it feels to be put down or gossiped about. • Write an affective statement • Example: Phillip, I feel angry because you yelled at me, and it hurt my feelings • Participate in proximity control for situations that could escalate into conflict • Self-generate a conflict resolution plan

	• Example: Teach planned ignoring, cultural tolerance, proximity control • Avoid power struggles • Provide corrective feedback • Provide community building activities to better connect students with one another.	• Participate in a collaborative project that promotes positive social interaction
Classroom disruption	• Conference with Teacher/Student conference to discuss behavior • Conduct Teacher/Parent conference • Acknowledge positive behavior • Redirect/Reteach expectations • Hold a restorative class meeting/problem solving circles • Provide discretional motor breaks, brief movement breaks, or opportunities for movement. • Example: brain breaks and/or mindfulness moments • Teach replacement behaviors (expected behavior) through the use of social stories	• Verbally apologize to the teacher and fellow students with a promise to contribute more positively in the future. • Commit to peer accountability system • Example: Cooperative group norms • Spend a week assisting the teacher with a variety of tasks • Participate in a student payback time plan using time owed during tutorials, teacher detention, or during preferred activities • Comply with designated seating assignment • Fulfill classroom duty roles that promotes good citizenship • Complete extended assignment • Own self behavior by student self-regulation • Example: personal behavior chart, clip incentive system, loss of privileges
Bullying	• Use the SEL lesson plans embedded in the curriculum to address bullying, teach empathy and problem solving, and address dispositions • SEL competencies: Self-awareness, Self-management, relationship skills, responsible decision making, and social awareness • Speak with individual students and determine if a circle is appropriate to repair harm. If so, facilitate a circle to discuss the impact of bullying and how to prevent future incidences of bullying. (Consult with a Behavioral Health Facilitator for support) • Implement proximity control between students • Active supervision: Actively scanning and moving throughout the classroom • Conduct restorative conference • Teach Conflict Resolution Skills/Relationship Skills/social skills	• Move away from the point of conflict • Comply with stay away agreement during transitional times and other school events

Ridicule	• Set up a panel of speakers who can talk to the entire class or school about intolerance and the effect it has on our communities. • Create skill modules related to the incident with the School Counselor • Conduct problem solving circles • Teach social skills/conflict resolution skills	• Write a letter of apology to the person harmed and his/her family • Create presentation on empathy
Inappropriate Physical Contact	• Provide active adult supervision • Teach social skills/self-management skills • Implement peer mentor/positive peer reporting systems • Teach replacement behaviors • Example: Jimmy grabs the arm of a student. The teacher will teach Jimmy ways to get appropriate attention instead of grabbing • Teach conflict resolution • Use proximity control to separate conflicting students	• Meet with Counselor, parent, student to better understand, and to create a student owned plan for appropriate touch • Complete character education lessons with counselor on appropriate touch and being a compassionate citizen • Earn back group privileges by exhibiting appropriate behavior
Horseplay	• Reteach expectations • Teach social skills • Provide active supervision • Provide Instructional activities that promote interaction	• Create behavior contract • Maintain daily behavior report card
Throwing objects	• Minimize access to unsecured items • Corrective feedback • Re-teach expectations	• Maintain daily behavior report card • Access only necessary resources for the completion of the assignments • Provide restitution
Profanity	• Teach substitute words/replacement vocabulary • Teach social skills • Increase acknowledgment of appropriate language	• Participate in response costs/token systems • Complete project on the harmful effects of making derogatory statements • Engage in character education lesson • Engage in character education lessons with counselor on being an effective communicator • Complete a project on respectful and socially appropriate verbal interactions • Participate in mock interview demonstrating appropriate communication skills
Truancy	• Refer to Student Support Team (SST) • Connect with Student Attendance Specialist/Social worker/drop-out prevention • Conduct restorative conference to discuss the root cause and empathy for student's non-attendance (Parent/Guardian/Teacher/Student) • Create and incentive system to improve attendance that may include grade repair or recovery	• Write a reflection paper on importance of being in attendance. • Participate in a truancy action plan meeting with the Student Attendance Specialists • Complete Truancy Diversion Program (TDP) • Participate in routine attendance check in meetings • Abide by the restrictions on the right to participate in extracurricular activities

	• Implement Teacher/Student check in system for attendance • Help facilitate a circle discussion on truancy and identify why some kids skip school. • Create opportunities for students to connect to the school.	• Attend tutorials or intervention classes to recoup missed instructional time
Cheating	• Conduct restorative Conference (Parent/Student/Staff) • Provide skill building activities related to the incident • Provide alternate assignments/allow do overs	• Write reflective essays on academic honesty • Accept a grade reduction/possible zero (see conduct chart) • Sign an academic code of honor • Complete an alternate assignment

The following behavior management techniques may be used alone, in combination, or as part of progressive interventions for behavior prohibited by the Student Code of Conduct or by campus or classroom rules:

- Phone call to the parent/guardian;
- Verbal correction, oral or written;
- Cooling-off time or a brief "time-out" period, in accordance with law;
- Seating changes within the classroom or vehicles owned or operated by the district;
- Temporary confiscation of items that disrupt the educational process;
- Rewards or demerits;
- Behavioral contracts;
- Counseling by teachers, school counselors, or administrative personnel;
- Parent-teacher conferences;
- Parent-administrator conferences;
- Behavior coaching;
- Anger management classes;
- Mediation (victim-offender);
- Classroom circles;
- Family group conferencing;
- Grade reductions for cheating, plagiarism, and as otherwise permitted by policy;
- Detention, including outside regular school hours;
- Sending the student to the office, another assigned area, or to in-school suspension;
- Assignment of school duties, such as cleaning or picking up litter;
- Withdrawal of privileges, such as participation in extracurricular activities, eligibility for seeking and holding honorary offices, or membership in school-sponsored clubs and organizations;

- Penalties identified in student organizations' extracurricular standards of behavior;
- Restriction or revocation of district transportation privileges;
- Schedule changes In-School suspension, as specified in In-School Suspension on page;
- Out-of-school suspension, as specified in **Out-of-School Suspension** on page 41;
- Placement in a DAEP, as specified in **DAEP** on page 55;
- Expulsion and/or placement in an alternative educational setting, as specified in **Placement and/or Expulsion for Certain Offenses** on page 48;
- Expulsion, as specified in **Expulsion** on page 53.Referral to an outside agency or legal authority for criminal prosecution in addition to disciplinary measures imposed by the district;
- Other strategies and consequences as determined by school officials.

Prohibited Aversive Techniques

Aversive techniques are prohibited for use with students and are defined as techniques or interventions intended to reduce the reoccurrence of a behavior by intentionally inflicting significant physical or emotional discomfort or pain. Aversive techniques include but are not limited to:

- Using techniques designed or likely to cause physical pain, other than corporal punishment as permitted by district policy. See policy FO (LOCAL);
- Using techniques designed or likely to cause physical pain by electric shock or any procedure involving pressure points or joint locks;
- Directed release of noxious, toxic, or unpleasant spray, mist, or substance near a student's face;
- Denying adequate sleep, air, food, water, shelter, bedding, physical comfort, supervision, or access to a restroom facility;
- Ridiculing or demeaning a student in a manner that adversely affects or endangers the learning or mental health of the student or constitutes verbal abuse;
- Employing a device, material, or object that immobilizes all four of a student's extremities, including prone or supine floor restraint;
- Impairing the student's breathing, including applying pressure to the student's torso or neck or placing something in, on, or over the student's mouth or nose or covering the student's face;
- Restricting the student's circulation;
- Securing the student to a stationary object while the student is standing or sitting;
- Inhibiting, reducing, or hindering the student's ability to communicate;
- Using chemical restraints;
- Using time-out in a manner that prevents the student from being able to be involved in and progress appropriately in the required curriculum or any applicable individualized education program (IEP) goals, including isolating the student using physical barriers;
- Depriving the student of one or more of the student's senses, unless the technique does not cause the student discomfort or complies with the student's IEP or behavior intervention plan (BIP).

Notification

The campus behavior coordinator shall promptly notify a student's parent by phone or in person

of any violation that may result in in-school or out-of-school suspension, placement in a DAEP, placement in a JJAEP, or expulsion. The campus behavior coordinator shall also notify a student's parent if the student is taken into custody by a law enforcement officer under the disciplinary provisions of the Education Code. A good-faith effort shall be made to provide written notice of the disciplinary action to the student, on the day the action was taken, for delivery to the student's parent. If the parent has not been reached by telephone or in person by 5:00 p.m. of the first business day after the day the disciplinary action was taken, the campus behavior coordinator shall send written notification by U.S. Mail or verified e-mail account. If the campus behavior coordinator is not able to provide notice to the parent, the principal or designee shall provide the notice.

Before the principal or appropriate administrator assigns a student under age 18 to detention outside regular school hours, notice shall be given to the student's parent to inform him or her of the reason for the detention and permit arrangements for necessary transportation.

Appeals

Questions from parents/guardians regarding disciplinary measures should be addressed to the teacher, CBC or campus administration. Depending on the discipline assigned, different complaint procedures may apply. See policy FNG (Local) and policy FOD (Local). Timelines for filing appeals stated in policy will be enforced.

The student or parent/guardian appeals regarding the process used for a DAEP placement or an expulsion decision, such as issues related to the disciplinary conference or proper notice being provided, should be addressed in accordance with policy FNG (Local) and policy FOC (Legal), restating sections of the TEC, Chapter 37 and the Penal Code. Appeals shall begin at Level One with the Department of Student Affairs. The policy may be obtained from the DSA or the District's website. Disciplinary consequences shall not be delayed or deferred pending the outcome of an appeal. Further, the decision cannot be appealed beyond the Board.

The district shall not delay a disciplinary consequence while a student or parent pursues a grievance. In the instance of a student who is accused of conduct that meets the definition of sexual harassment as defined by Title IX, the district will comply with applicable federal law, including the Title IX formal complaint process. See policies FFH (LEGAL) and (LOCAL).

In the instance of a student who is accused of conduct that meets the definition of sexual harassment as defined by Title IX, the District will comply with applicable federal law, including the Title IX formal complaint process. See policy FFH (Legal) and (LOCAL).

A bus driver may refer a student to the principal's office or the campus behavior coordinator's office to maintain effective discipline on the bus. The principal or campus behavior coordinator must employ additional discipline management techniques, as appropriate, which can include restricting or revoking a student's bus riding privileges.

Removal from the School Bus
Examples of Infractions Regarding Buses

Level I	Level II	Level III	Level IV
• Failure to remain seated while the bus or vehicle is moving • Out of assigned seat • Loud voice • Not seated "on pockets" • Gum • Food • Getting on/off at the wrong stop • Entering and exiting transportation in a disorderly manner or at a non-designated stop • Failure to keep aisles clear of books, bags, instruments, feet, or other obstructions • Failure to follow the driver's lawful directions at all times • Extending any body part, clothing, or other article outside of the transportation • Making loud or distracting noises	• Arguing/disrespectful toward the bus driver • Profanity • Inappropriate physical contact • Failure to keep hands, feet, other body parts, or objects to yourself • Verbal altercation with another student • Persistent Level I offenses • Obstructing the driver's view	• Profanity directed at the bus driver • Physical altercation: slapping, kicking, hitting, pushing • Throwing objects on the bus or out of the windows or doors • Throwing items at or near the bus driver • Vandalism to the bus • Any action that necessitates a delay in completing the route • Threats toward a student • Possession of a knife • Bullying • Mark, deface, destruct, or tamper with seats, windows, emergency doors, or other equipment • Failure to fasten seat belts when available on any vehicle • Failure to wait for the driver's signal upon leaving the bus or vehicle and before crossing in front of the bus or vehicle • Persistent Level II offenses	• Possess, Sell, Use, Under the Influence (PSUU) of drugs, alcohol or tobacco • Assault of a student • Assault of the bus driver • Threats toward the bus driver • Possession of an illegal knife • Persistent Level III offenses

To transport students safely, the vehicle operator must focus on driving and not be distracted by student misbehavior. Therefore, when appropriate disciplinary management techniques fail to improve student behavior or when specific misconduct warrants immediate removal, the principal or the campus behavior coordinator may restrict or revoke a student's transportation privileges, in accordance with law.

Misconduct on buses, in District vehicles, or at bus stops, will be disciplined in accordance with this Code. Bus riding privileges may be suspended or revoked.

Consequences		
	Elementary Grades (Pre-K to 5)	**Secondary Grades (6 to 12)**
Level I	Driver documents and conferences with student	Driver documents and conferences with student
First Referral Consequences		
	Elementary Grades (Pre-K to 5)	**Secondary Grades (6 to 12)**
Level II: First Offense	Discipline referral by Transportation to school administration and parent/guardian contact by the school	Discipline referral by Transportation to school administration and parent/guardian contact by the school
Level II: Additional Offenses	1 Day Bus Suspension	3 Day Bus Suspension
Level III	3 Day Bus Suspension	5 Day Bus Suspension
Level IV	5 Day Bus Suspension	10 Day Bus Suspension
Second and Third Referral Consequences **Severe and repeated infractions may result in immediate and permanent bus removal**		
	Elementary Grades (Pre-K to 5)	**Secondary Grades (6 to 12)**
Level II	3 Day Bus Suspension	5 Day Bus Suspension
Level III	5 Day Bus Suspension	10 Day Bus Suspension
Level IV	10 Day Bus Suspension	15 Day Bus Suspension

Removal from the Regular Educational Setting

In addition to other discipline management techniques, misconduct may result in removal from the regular educational setting in the form of a routine referral or a formal removal.

Routine Referral

A routine referral occurs when a teacher sends a student to the campus behavior coordinator's office as a discipline management technique. The campus behavior coordinator shall employ alternative discipline management techniques, including progressive interventions. A teacher or administrator may remove a student from class for behavior that violates this Code to maintain effective discipline in the classroom.

Formal Removal

A teacher may initiate a formal removal from class under Chapter 37 if:

- A student's behavior has been documented by the teacher as repeatedly interfering with the teacher's ability to teach the class or with other students' ability to learn; or
- The behavior is so unruly, disruptive, or abusive that the teacher cannot teach, and the students in the classroom cannot learn.

Procedure for Removal

Within three school days of the formal removal, the campus behavior coordinator or appropriate administrator shall schedule a conference with the student's parent, the student, the teacher who removed the student from class, and any other appropriate administrator.

At the conference, the campus behavior coordinator or appropriate administrator shall inform the student of the alleged misconduct and the proposed consequences. The student shall have an opportunity to respond to the allegations.

After the conference, the campus behavior coordinator or other appropriate administrator will notify the student and parent(s)/guardian of the consequences of the SCC violation.

When a student is removed from the regular classroom by a teacher and a conference is pending, the campus behavior coordinator or other administrator may place the student in:

- Another appropriate classroom;
- In-school suspension;
- Out-of-school suspension;
- DAEP.

A teacher or administrator must remove a student from class if the student engages in behavior that under the Education Code requires or permits the student to be placed in a DAEP or expelled. When removing for those reasons, the procedures in the subsequent sections on DAEP or expulsion shall be followed.

Returning a Student to the Classroom

A student who has been formally removed from class by a teacher for conduct against the teacher containing the elements of assault, aggravated assault, sexual assault, or aggravated sexual assault may not be returned to the teacher's class without the teacher's consent.

A student who has been formally removed by a teacher for any other conduct may be returned to the teacher's class without the teacher's consent if the placement review committee determines that the teacher's class is the best or only alternative available.

In-School Suspension

Misconduct

Disciplinary action resulting in ISS placement will be correlated to the seriousness of the offense, the student's age and grade level, the frequency of misconduct, the student's attitude or disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct and the effect of the misconduct on the school environment. Students may be suspended for behavior listed in the Code as a general conduct violation, DAEP offense, or expellable offense.

In deciding whether to order In-school suspension, the campus behavior coordinator shall take into consideration:

- Self-defense (See glossary);
- Intent or lack of intent at the time the student engaged in the conduct;
- The student's disciplinary history;
- A disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct;
- A student's status in the conservatorship of the Department of Family and Protective Services (foster care); or
- A student's status as homeless.

Process

Before being suspended a student shall have an informal conference with the campus behavior coordinator or appropriate administrator, who shall inform the student of the alleged misconduct and give the student an opportunity to respond to the allegation before the administrator makes a decision. The campus behavior coordinator or appropriate administrator shall determine the number of days of a student's suspension days and will notify the parent/guardian though written notice and parent phone call. The student's teachers will be notified by the campus administrator so that coursework may be provided to ISS.

Length of Assignment to ISS

The length of assignment to ISS is not to exceed ten days per offense, unless the student commits a violation of the ISS rules or the Student Code of Conduct while assigned to ISS. This could result in the assignment of additional days to a maximum of ten days, suspension from school, or assignment to a disciplinary alternative education program, depending upon the seriousness of the offense.

Out-of-School Suspension

Misconduct

Students may be suspended for behavior listed in the Code as a general conduct violation, DAEP offense, or expellable offense.

The district shall not use out-of-school suspension for students in grade 2 or below unless the conduct meets the requirements established in law.

A student below grade 3 or a student who is homeless shall not be placed in out-of-school suspension unless, while on school property or while attending a school-sponsored or school-related activity on or off school property, the student engages in:

- Conduct that contains the elements of a weapons offense, as provided in Penal Code sections 46.02 or 46.05;

- Conduct that contains the elements of assault, sexual assault, aggravated assault, or aggravated sexual assault, as provided by the Penal Code; or
- Selling, giving, or delivering to another person or possessing, using, or being under the influence of any amount of marijuana, an alcoholic beverage, or a controlled substance or dangerous drug as defined by federal or state law.

The district shall use a positive behavior program as a disciplinary alternative for students below grade 3 who commit general conduct violations instead of suspension or placement in a DAEP. The program shall meet the requirements of law.

Process

State law allows a student to be suspended for no more than three school days per behavior violation, with no limit on the number of times a student may be suspended in a semester or school year.

Before being suspended a student shall have an informal conference with the campus behavior coordinator or appropriate administrator, who shall inform the student of the alleged misconduct and give the student an opportunity to respond to the allegation before the administrator makes a decision.

The campus behavior coordinator shall determine the number of days of a student's suspension, not to exceed three school days.

In deciding whether to order out-of-school suspension, the campus behavior coordinator shall take into consideration:

- Self-defense (See glossary);
- Intent or lack of intent at the time the student engaged in the conduct;
- The student's disciplinary history;
- A disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct;
- A student's status in the conservatorship of the Department of Family and Protective Services (foster care); or
- A student's status as homeless.

The appropriate administrator shall determine any restrictions on participation in school-sponsored or school-related extracurricular and co-curricular activities.

Length of Suspension

State law allows a student to be suspended for up to three (3) school days per offense, with no limit on the number of times a student may be suspended in a semester or school year. The principal or principal's designee shall set the length of the suspension from school. When a student is suspended, the student is expected to be under the supervision of the parent, guardian or other responsible adult.

Coursework During In-School or Out-of-School Suspension

The district shall ensure a student receives access to coursework for foundation curriculum courses while the student is placed in in-school or out-of-school suspension, including at least one method of receiving this coursework that doesn't require the use of the internet.

A student removed from the regular classroom to out-of-school suspension or another setting, other than a DAEP, will have an opportunity before the beginning of the next school year to complete each course the student was enrolled in at the time of removal. The district may provide

the opportunity by any method available, including a correspondence course, another distance learning option, or summer school. The district will not charge the student for any method of completion provided by the district.

Sanctions

A student who has been assigned to OSS may not participate in nor attend school-sponsored or school-related activities or extracurricular activities during the period of assignment.

Disciplinary Alternative Education Program (DAEP) Placement

The DAEP shall be provided in a setting other than the student's regular classroom. An elementary school student may not be placed in a DAEP with a student who is not an elementary school student.

For purposes of DAEP, elementary classification shall be kindergarten–grade 5 and secondary classification shall be grades 6–12.

Summer programs provided by the district shall serve students assigned to a DAEP in conjunction with other students.

A student who is expelled for an offense that otherwise would have resulted in a DAEP placement does not have to be placed in a DAEP in addition to the expulsion.

In deciding whether to place a student in a DAEP, regardless of whether the action is mandatory or discretionary, the campus behavior coordinator shall take into consideration:

- Self-defense (See glossary);
- Intent or lack of intent at the time the student engaged in the conduct;
- The student's disciplinary history;
- A disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct;
- A student's status in the conservatorship of the Department of Family and Protective Services (foster care); or
- A student's status as homeless.

Before a student may be approved for DAEP, the student is afforded appropriate due process discipline conference as required by the U.S. Constitution and which the student's parent/guardian is invited, in writing, to attend. Under TEC §37.009(f), the minimum procedural requirements necessary to satisfy due process depend upon the circumstances and the interests of the parties involved.

The notice should contain a statement of the specific offense that would justify an expulsion. At the discipline conference, the student is entitled to:

- Additional representation by an adult, other than the student's parent/guardian, who can provide guidance to the student and parent and/or
- An opportunity to testify and to review and present evidence.

Additional proceedings may be conducted and additional discipline may be imposed if the student engages in additional misconduct while the student is in DAEP or is already expelled.

Interim Placement

Until a decision on the recommendation for DAEP has been provided by the Department of Student Affairs, the student may be placed in out-of-school suspension for no more than 3 days

and in-school suspension pending the decision. Students placed in in-school suspension on any DAEP related offense may not participate in nor attend school sponsored or school-related activities or extracurricular activities during the period of assignment.

Discretionary Placement: Misconduct That May Result in DAEP Placement

A student may be placed in a DAEP for behaviors prohibited in the General Conduct Violations section of this Code.

Misconduct Identified in State Law

In accordance with state law, a student **may** be placed in a DAEP for any of the following offenses:

- Engaging in bullying that encourages a student to commit or attempt to commit suicide;
- Inciting violence against a student through group bullying;
- Releasing or threatening to release intimate visual material of a minor or of a student who is 18 years of age or older without the student's consent;
- Involvement in a public school fraternity, sorority, or secret society, or gang including participating as a member or pledge, or soliciting another person to become a pledge or member of a public school fraternity, sorority, secret society, or gang (See glossary);
- Involvement in criminal street gang activity (See glossary);
- Any criminal mischief, including a felony;
- Assault (no bodily injury) with threat of imminent bodily injury;
- Assault by offensive or provocative physical contact.

In accordance with state law, a student **may** be placed in a DAEP if the superintendent or the superintendent's designee has reasonable belief (See glossary) that the student engaged in conduct punishable as a felony, other than aggravated robbery or those listed as offenses in Title 5 (See glossary) of the Penal Code, that occur off school property and not at a school-sponsored or school-related event, if the student's presence in the regular classroom threatens the safety of other students or teachers or will be detrimental to the educational process.

The campus behavior coordinator **may** place a student in a DAEP for off-campus conduct for which DAEP placement is required by state law if the administrator does not have knowledge of the conduct before the first anniversary of the date the conduct occurred.

Mandatory Placement: Misconduct That Requires DAEP Placement

A student **must** be placed in a DAEP if the student:

- Engages in conduct relating to a false alarm or report (including a bomb threat) or a terroristic threat involving a public school. (See glossary);
- Commits the following offenses on school property, within 300 feet of school property as measured from any point on the school's real property boundary line, or while attending a school-sponsored or school-related activity on or off school property:
  - Engages in conduct punishable as a felony;
  - Commits an assault (See glossary) under Penal Code 22.01(a) (1);
  - Sells, gives, or delivers to another person or possesses, uses, or is under the influence of a controlled substance or a dangerous drug. A student with a valid prescription for low-THC cannabis as authorized by Chapter 487 of the Health and Safety Code does not violate this provision. (See glossary for "under the influence" "controlled substance," and "dangerous drug.");

- Sells, gives, or delivers to another person or possesses, uses, or is under the influence of marijuana, vaping with THC, or vaping with no THC, or e-cigarette.
    - Students identified as having a first offense of possession, use, or under the influence of vaping with or without THC may be eligible for participation in the district's First Offense RISE program.
- Sells, gives, or delivers to another person an alcoholic beverage; commits a serious act or offense while under the influence of alcohol; or possesses, uses, or is under the influence of alcohol, if the conduct is not punishable as a felony offense. (School-related felony alcohol offenses are addressed in **Expulsion** on page 52.);
- Behaves in a manner that contains the elements of an offense relating to abusable volatile chemicals;
- Behaves in a manner that contains the elements of the offense of public lewdness or indecent exposure (See glossary);
- Engages in conduct that contains the elements of an offense of harassment against an employee under Penal Code 42.07(a) (1), (2), (3), or (7);
- Behavior punishable as a felony that involves selling, giving, or delivering to another person or possessing, using, or being under the influence of marijuana, a controlled substance, a dangerous drug, or alcohol, or committing a serious act or offense while under the influence of alcohol.

- Engages in expellable conduct and is between six and nine years of age;
- Commits a federal firearms violation and is younger than six years of age;
- Engages in conduct that contains the elements of the offense of retaliation against any school employee or volunteer on or off school property. (Committing retaliation in combination with another expellable offense is addressed in **Expulsion** on page 52.);
- Engages in conduct punishable as aggravated robbery or a felony listed under Title 5 (See glossary) of the Penal Code when the conduct occurs off school property and not at a school-sponsored or school-related event and:
- The student receives deferred prosecution (See glossary);
- A court or jury finds that the student has engaged in delinquent conduct (See glossary); or
- The superintendent or designee has a reasonable belief (See glossary) that the student engaged in the conduct.

DAEP at Capacity

If a DAEP is at capacity at the time the CBC is deciding placement for conduct related to marijuana, THC, an e-cigarette, alcohol, or an abusable volatile chemical, the student shall be placed in ISS then transferred to a DAEP for the remainder of the period if space becomes available before the expiration of the period of the placement.

If a DAEP is at capacity at the time the CBC is deciding placement for a student who engaged in violent conduct, a student placed in a DAEP for conduct related to marijuana THC, and e-cigarette, alcohol, or an abusable volatile chemical may be placed in ISS to make a position in the DAEP available for the student who engaged in violent conduct. If a position becomes available in a DAEP before the expiration of the period of the placement for the student removed, the student shall be returned to a DAEP for the remainder of the period.

Sexual Assault and Campus Assignments

A student shall be transferred to another campus if:

- The student has been convicted of continuous sexual abuse of a young child or disabled individual or convicted of or placed on deferred adjudication for sexual assault or
- aggravated sexual assault against another student on the same campus; or
- The victim's parent or another person with the authority to act on behalf of the victim requests that the board transfer the offending student to another campus.

If there is no other campus in the district serving the grade level of the offending student, the offending student shall be transferred to a DAEP.

Process
Removals to a DAEP shall be made by the campus behavior coordinator.

Conference
When a student is removed from class for a DAEP offense, the campus behavior coordinator or appropriate administrator shall schedule a conference within three school days with the student's parent, the student, and, in the case of a teacher removal, the teacher.

At the conference, the campus behavior coordinator or appropriate administrator shall provide the student:

- Information, orally or in writing, of the reasons for the removal;
- An explanation of the basis for the removal; and
- An opportunity to respond to the reasons for the removal.

Following valid attempts to require attendance, the district may hold the conference and make a placement decision regardless of whether the student or the student's parents attend the conference.

Until a conference can be held, the campus behavior coordinator or other appropriate administrator may place a student in:

- Another appropriate classroom;
- In-School Suspension; and/or
- Out-of-School Suspension for a maximum of three (3) days.

Consideration of Mitigating Factors
In deciding whether to place a student in a DAEP, regardless of whether the action is mandatory or discretionary, the campus behavior coordinator shall take into consideration:

- Self-defense (See glossary),
- Intent or lack of intent at the time the student engaged in the conduct,
- The student's disciplinary history,
- A disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct,
- A student's status in the conservatorship of the Department of Family and Protective Services (foster care), or
- A student's status as homeless.

Placement Order
After the conference, if the student is placed in a DAEP, the campus behavior coordinator shall write a placement order. A copy of the DAEP placement order and information for the parent or

person standing in parental relation to the student regarding the process for requesting a full individual and initial evaluation of the student for purposes of special education services shall be sent to the student and thestudent's parent.

Not later than the second business day after the conference, the board's designee shall deliver to the juvenile court a copy of the placement order and all information required by Section 52.04 of the Family Code.

If the student is placed in a DAEP and the length of placement is inconsistent with the guidelines included in this Code, the placement order shall give notice of the inconsistency.

Coursework Notice

The parent or guardian of a student placed in DAEP shall be given written notice of the student's opportunity to complete, at no cost to the student, a foundation curriculum course in which the student was enrolled at the time of removal and which is required for graduation. The notice shall include information regarding all methods available for completing the coursework.

Length of Placement

The campus behavior coordinator shall determine the duration of a student's placement in a DAEP.

The duration of a student's placement shall be determined case by case based on the seriousness of the offense, the student's age and grade level, the frequency of misconduct, the student's attitude, and statutory requirements.
The maximum period of DAEP placement shall be one calendar year, except as provided below.

Unless otherwise specified in the placement order, days absent from a DAEP shall not count toward fulfilling the total number of days required in a student's DAEP placement order.

The district shall administer the required pre- and post-assessments for students assigned to DAEP for a period of 90 days or longer in accordance with established district administrative procedures for administering other diagnostic or benchmark assessments.

Exceeds One Year

Placement in a DAEP may exceed one year when a review by the district determines that the student is a threat to the safety of other students or to district employees.

The statutory limitations on the length of a DAEP placement do not apply to a placement resulting from the board's decision to place a student who engaged in the sexual assault of another student so that the students are not assigned to the same campus.

Exceeds School Year

Students who are in a DAEP placement at the end of one school year may be required to continue that placement at the start of the next school year to complete the assigned term of placement.

For placement in a DAEP to extend beyond the end of the school year, the campus behavior coordinator or the board's designee must determine that:

- The student's presence in the regular classroom or campus presents a danger of physical harm to the student or others; or
- The student has engaged in serious or persistent misbehavior (See glossary) that violates the district's Code.

Exceeds 60 Days

For placement in a DAEP to extend beyond 60 days or the end of the next grading period, whichever is sooner, a student's parent shall be given notice and the opportunity to participate in a proceeding before the board or the board's designee.

Appeals

Questions from parents/guardians regarding disciplinary measures should be addressed to the teacher, CBC or campus administration. Depending on the discipline assigned, different complaint procedures may apply. See policy FNG (Local) and policy FOD (Local). Timelines for filing appeals stated in policy will be enforced.

The student or parent/guardian appeals regarding the process used for a DAEP placement or an expulsion decision, such as issues related to the disciplinary conference or proper notice being provided, should be addressed in accordance with policy FNG (Local) and policy FOC (Legal), restating sections of the TEC, Chapter 37 and the Penal Code. A copy of this policy maybe obtained from the principal's office, the campus behavior coordinator's office, the central administration office, or through Policy On-Line.

Appeals shall begin at Level One with the Department of Student Affairs. The policy may be obtained from the DSA or the District's website. Disciplinary consequences shall not be delayed or deferred pending the outcome of an appeal. Further, the decision cannot be appealed beyond the Board. If during the term of DAEP placement, the student engages in additional misconduct, additional disciplinary conferences may be conducted and additional days to current assignment may be imposed with the approval of the Executive Director of Student Affairs or designee.

In the instance of a student who is accused of conduct that meets the definition of sexual harassment as defined by Title IX, the District will comply with applicable federal law, including the Title IX formal complaint process. FFH (Legal) and (LOCAL).

Restrictions During Placement

The district does not permit a student who is placed in a DAEP to participate in any school-sponsored or school-related extracurricular or co-curricular activity, including seeking or holding honorary positions and/or membership in school-sponsored clubs and organizations.

The district shall provide transportation to students in a DAEP.

For seniors who are eligible to graduate and are assigned to a DAEP at the time of graduation will be withdrawn from the alternative school and re-enrolled at the home campus. The student shall be allowed to participate in the graduation ceremony and related graduation activities unless otherwise specified by the Superintendent or designee.

Placement Review

A student placed in a DAEP shall be provided a review of his or her status, including academic status, by the campus behavior coordinator or the board's designee at intervals not to exceed 120 days. In the case of a high school student, the student's progress toward graduation and the student's graduation plan shall also be reviewed. At the review, the student or the student's parent shall be given the opportunity to present arguments for the student's return to the regular classroom or campus. The student may not be returned to the classroom of a teacher who removed the student without that teacher's consent.

Resilience, Intervention, Support, and Empowerment Program (R.I.S.E)

DAEP shall provide students with a substance or alcohol related offense the opportunity to participate in and complete the district's substance abuse education program to qualify for a reduction in the term of placement. R.I.S.E is a curriculum-based, social and resilience skill program designed to teach leadership, health self-image, and substance avoidance. This twenty-day program is incorporated into but may not constitute the full total of the student's DAEP assignment.

Additional Misconduct

If during the term of placement in a DAEP the student engages in additional misconduct for which placement in a DAEP or expulsion is required or permitted, additional proceedings may be

conducted, and the campus behavior coordinator may enter an additional disciplinary order as a result of those proceedings with the approval of the Executive Director of Student Affairs or designee.

Notice of Criminal Proceedings

When a student is placed in a DAEP for certain offenses, the office of the prosecuting attorney shall notify the district if:

- Prosecution of a student's case was refused for lack of prosecutorial merit or insufficient evidence, and no formal proceedings, deferred adjudication (See glossary), or deferred prosecution will be initiated; or
- The court or jury found a student not guilty or made a finding that the student did not engage in delinquent conduct or conduct indicating a need for supervision, and the case was dismissed with prejudice.

If a student was placed in a DAEP for such conduct, on receiving the notice from the prosecutor, the superintendent or designee shall review the student's placement and schedule a review with the student's parent not later than the third day after the superintendent or designee receives notice from the prosecutor. The student may not be returned to the regular classroom pending the review.

After reviewing the notice and receiving information from the student's parent, the superintendent or designee may continue the student's placement if there is reason to believe that the presence of the student in the regular classroom threatens the safety of other students or teachers.

The student or the student's parent may appeal the superintendent's decision to the board. The student may not be returned to the regular classroom pending the appeal. In the case of an appeal, the board shall, at the next scheduled meeting, review the notice from the prosecutor and receive information from the student, the student's parent, and the superintendent or designee, and confirm or reverse the decision of the superintendent or designee. The board shall make a record of the proceedings.

If the board confirms the decision of the superintendent or designee, the student and the student's parent may appeal to the Commissioner of Education. The student may not be returned to the regular classroom pending the appeal.

Withdrawal During Process

When a student violates the district's Code in a way that requires or permits the student to be placed in a DAEP and the student withdraws from the district before a placement order is completed, the campus behavior coordinator may complete the proceedings and issue a placement order. If the student then re-enrolls in the district during the same or a subsequent school year, the district may enforce the order at that time, less any period of the placement that has been served by the student during enrollment in another district. If the campus behavior coordinator or the board fails to issue a placement order after the student withdraws, the next district in which the student enrolls may complete the proceedings and issue a placement order.

Newly Enrolled Students

The district shall decide on a case-by-case basis whether to continue the placement of a student who enrolls in the district and was assigned to a DAEP in an open-enrollment charter school or another district including a district in another state. The district may place the student in the district's DAEP or a regular classroom setting.

When a student enrolls in the district with a DAEP placement from a district in another state, the district has the right to place the student in DAEP to the same extent as any other newly enrolled student if the behavior committed is a reason for DAEP placement in the receiving district.

State law requires the district to reduce a placement imposed by a district in another state that exceeds one year so that the total placement does not exceed one year. After a review, however, the placement may be extended beyond a year if the district determines that the student is a threat to the safety of other students or employees or the extended placement is in the best interest of the student.

Emergency Placement Procedure

When an emergency placement is necessary because the student's behavior is so unruly, disruptive, or abusive that it seriously interferes with classroom or school operations, the student shall be given oral notice of the reason for the action. Not later than the tenth day after the date of the placement, the student shall be given the appropriate conference required for assignment to a DAEP.

Transition Services

In accordance with law and district procedures, campus staff shall provide transition services to a student returning to the regular classroom from an alternative education program, including a DAEP. See policy FOCA (LEGAL) for more information.

Placement and/or Expulsion for Certain Offenses

This section includes two categories of offenses for which the Education Code provides unique procedures and specific consequences.

Registered Sex Offenders

Upon receiving notification in accordance with state law that a student is currently required to register as a sex offender, the district must remove the student from the regular classroom and determine appropriate placement unless the court orders JJAEP placement.

If the student is under any form of court supervision, including probation, community supervision, or parole, the student shall be placed in either DAEP or JJAEP for at least one semester.

If the student is not under any form of court supervision, the student may be placed in DAEP or JJAEP for one semester or placed in a regular classroom. The student may not be placed in the regular classroom if the board or its designee determines that the student's presence:

- Threatens the safety of other students or teachers;
- Will be detrimental to the educational process; or
- Is not in the best interests of the district's students.

Review Committee

At the end of the first semester of a student's placement in an alternative educational setting and before the beginning of each school year for which the student remains in an alternative placement, the district shall convene a committee, in accordance with state law, to review the student's placement. The committee shall recommend whether the student should return to the regular classroom or remain in the placement. Absent a special finding, the board or its designee must follow the committee's recommendation.

The placement review of a student with a disability who receives special education services must be made by the ARD committee.

Newly Enrolled Students

If a student enrolls in the district during a mandatory placement as a registered sex offender, the district may count any time already spent by the student in a placement or may require an

additional semester in an alternative placement without conducting a review of the placement.

Appeal

A student or the student's parent may appeal the placement by requesting a conference between the board or its designee, the student, and the student's parent. The conference is limited to the factual question of whether the student is required to register as a sex offender. Any decision of the board or its designee under this section is final and may not be appealed.

Certain Felonies

Regardless of whether placement or expulsion is required or permitted by one of the reasons in the DAEP Placement or Expulsion sections, in accordance with Education Code 37.0081, a student may be expelled and placed in either DAEP or JJAEP if the board or campus behavior coordinator makes certain findings and the following circumstances exist in relation to aggravated robbery or a felony offense under Title 5 (See glossary) of the Penal Code. The student must:

- Have received deferred prosecution for conduct defined as aggravated robbery or a Title 5 felony offense;
- Have been found by a court or jury to have engaged in delinquent conduct for conduct defined as aggravated robbery or a Title 5 felony offense;
- Have been charged with engaging in conduct defined as aggravated robbery or a Title 5 felony offense;
- Have been referred to a juvenile court for allegedly engaging in delinquent conduct for conduct defined as aggravated robbery or a Title 5 felony offense; or
- Have received probation or deferred adjudication or have been arrested for, charged with, or convicted of aggravated robbery or a Title 5 felony offense.

The district may expel the student and order placement under these circumstances regardless of:

- The date on which the student's conduct occurred;
- The location at which the conduct occurred;
- Whether the conduct occurred while the student was enrolled in the district; or
- Whether the student has successfully completed any court disposition requirements imposed in connection with the conduct.

Hearing and Required Findings

The student must first have a hearing before the board or its designee, who must determine that in addition to the circumstances above that allow for the expulsion, the student's presence in the regular classroom:

- Threatens the safety of other students or teachers;
- Will be detrimental to the educational process; or
- Is not in the best interest of the district's students.

Any decision of the board or the board's designee under this section is final and may not be appealed.

Length of Placement

The student is subject to the placement until:

- The student graduates from high school;
- The charges are dismissed or reduced to a misdemeanor offense; or

- The student completes the term of the placement or is assigned to another program.

Placement Review

A student placed in a DAEP or JJAEP under this section is entitled to a review of his or her status, including academic status, by the campus behavior coordinator or board's designee at intervals not to exceed 120 days. In the case of a high school student, the student's progress toward graduation and the student's graduation plan shall also be reviewed. At the review, the student or the student's parent shall have the opportunity to present arguments for the student's return to the regular classroom or campus.

Newly Enrolled Students

A student who enrolls in the district before completing a placement under this section from another school district must complete the term of the placement.

Expulsion

In deciding whether to order expulsion, regardless of whether the action is mandatory or discretionary, the campus behavior coordinator shall take into consideration:

- Self-defense (See glossary);
- Intent or lack of intent at the time the student engaged in the conduct;
- The student's disciplinary history;
- A disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct;
- A student's status in the conservatorship of the Department of Family and Protective Services (foster care); or
- A student's status as homeless.

Discretionary Expulsion: Misconduct That May Result in Expulsion

Some of the following types of misconduct may result in mandatory placement in a DAEP, whether or not a student is expelled. (See **DAEP Placement** on page 55)

Any Location

A student **may** be expelled for:

- Engaging in bullying that encourages a student to commit or attempt to commit suicide;
- Inciting violence against a student through group bullying;
- Releasing or threatening to release intimate visual material of a minor or of a student who is 18 years of age or older without the student's consent;
- Conduct that contains the elements of assault under Penal Code 22.01(a) (1) in retaliation against a school employee or volunteer;
- Criminal mischief, if punishable as a felony;
- Engaging in conduct that contains the elements of one of the following offenses against another student:
  - Aggravated assault;
  - Sexual assault;
  - Aggravated sexual assault;
  - Murder;
  - Capital murder;

- Criminal attempt to commit murder or capital murder;
- Aggravated robbery;

- Breach of computer security (See glossary);
- Engaging in conduct relating to a false alarm or report (including a bomb threat) or a terroristic threat involving a public school.

At School, Within 300 Feet, or at a School Event

A student **may** be expelled for committing any of the following offenses on or within 300 feet of school property, as measured from any point on the school's real property boundary line, or while attending a school-sponsored or school-related activity on or off school property:

- Selling, giving, or delivering to another person, or possessing, using, or being under the influence of marijuana, a controlled substance, or a dangerous drug, if the conduct is not punishable as a felony. A student with a valid prescription for low-THC cannabis as authorized by Chapter 487 of the Health and Safety Code does not violate this provision. (See glossary for "under the influence.");
- Selling, giving, or delivering another person, or possessing, using, or being under the influence of alcohol; or committing a serious act or offense while under the influence of alcohol, if the conduct is not punishable as a felony;
- Engaging in conduct that contains the elements of an offense relating to abusable volatile chemicals;
- Engaging in conduct that contains the elements of assault under Penal Code 22.01(a) (1) against an employee or a volunteer; or
- Engaging in deadly conduct (See glossary).

Within 300 Feet of School

A student **may** be expelled for engaging in the following conduct while within 300 feet of school property, as measured from any point on the school's real property boundary line:

- Aggravated assault, sexual assault, or aggravated sexual assault;
- Arson (See glossary);
- Murder, capital murder, or criminal attempt to commit murder or capital murder;
- Indecency with a child;
- Aggravated kidnapping;
- Manslaughter;
- Criminally negligent homicide;
- Aggravated robbery;
- Continuous sexual abuse of a young child or disabled individual;
- Felony drug- or alcohol-related offense;
- Unlawfully carrying on or about the student's person a handgun or a location-restricted knife, as these terms are defined by state law (See glossary);
- Possessing, manufacturing, transporting, repairing, or selling a prohibited weapon, as defined by state law (See glossary); or
- Possession of a firearm, as defined by federal law (See glossary).

Property of Another District

A student **may** be expelled for committing any offense that is a state-mandated expellable offense if the offense is committed on the property of another district in Texas or while the student is attending a school-sponsored or school-related activity of a school in another district in Texas.

While in a DAEP

A student may be expelled for engaging in documented serious misbehavior that violates the district's Code, despite documented behavioral interventions while placed in a DAEP. For purposes of discretionary expulsion from a DAEP, serious misbehavior means:

- Deliberate violent behavior that poses a direct threat to the health or safety of others;
- Extortion, meaning the gaining of money or other property by force or threat;
- Conduct that constitutes coercion, as defined by Penal Code 1.07; or
- Conduct that constitutes the offense of:
  - Public lewdness under Penal Code 21.07;
  - Indecent exposure under Penal Code 21.08;
  - Criminal mischief under Penal Code 28.03;
  - Hazing under Education Code 37.152; or
  - Harassment under Penal Code 42.07(a) (1) of a student or district employee.

Mandatory Expulsion: Misconduct That Requires Expulsion

A student **must** be expelled under federal or state law for any of the following offenses that occur on school property or while attending a school-sponsored or school-related activity on or off school property:

Under Federal Law

- Bringing to school or possessing at school, including any setting that is under the district's control or supervision for the purpose of a school activity, a firearm, as defined by federal law. (See glossary)

Note*:* Mandatory expulsion under the federal Gun Free Schools Act does not apply to a firearm that is lawfully stored inside a locked vehicle or to firearms used in activities approved and authorized by the district when the district has adopted appropriate safeguards to ensure student safety.

Under the Penal Code

- Unlawfully carrying on or about the student's person the following, in the manner prohibited by Penal Code 46.02:
  - A handgun, defined by state law as any firearm designed, made, or adapted to be used with one hand. (See glossary) *Note*: A student may not be expelled solely on the basis of the student's use, exhibition, or possession of a firearm that occurs at an approved target range facility that is not located on a school campus; while participating in or preparing for a school-sponsored, shooting sports competition or a shooting sports educational activity that is sponsored or supported by the Parks and Wildlife Department; or a shooting sports sanctioning organization working with the department. See policy FNCG (LEGAL);
  - A location-restricted knife, as defined by state law; (See glossary)
- Possessing, manufacturing, transporting, repairing, or selling a prohibited weapon, as defined in state law; (See glossary)

- Behaving in a manner that contains elements of the following offenses under the Penal Code:
  - Aggravated assault, sexual assault, or aggravated sexual assault;
  - Arson; (See glossary)
  - Murder, capital murder, or criminal attempt to commit murder or capital murder;
  - Indecency with a child;
  - Aggravated kidnapping;
  - Aggravated robbery;
  - Manslaughter;
  - Criminally negligent homicide;
  - Continuous sexual abuse of a young child or disabled individual;
- Engaging in retaliation against a school employee or volunteer combined with one of the above-listed mandatory expulsion offenses.

Under Age Ten

When a student under the age of ten engages in behavior that is expellable behavior, the student shall not be expelled, but shall be placed in a DAEP. A student under age six shall not be placed in a DAEP unless the student commits a federal firearm offense.

Process

Before a student may be expelled, the Superintendent or designee shall provide the student a hearing at which the student is afforded appropriate due process as required by the U.S. Constitution and which the student's parent/guardian is invited, in writing, to attend. Under TEC §37.009(f), the minimum procedural requirements necessary to satisfy due process depend upon the circumstances and the interests of the parties involved. Federal due process requires notice and some opportunity for hearing. The notice should contain a statement of the specific charges and grounds that, if proven, would justify expulsion. In some cases, the student should be given the names of the witnesses against him or her, and an oral or written report on the facts to which each witness testifies. After trying to inform the student and parent/guardian of the hearing, the district may hold the hearing regardless of whether the student or the student's parent/guardian attends.

Until a hearing can be held, the campus behavior coordinator or other administrator may place the student in:

- Another appropriate classroom;
- In-school suspension;
- Out-of-school suspension; or
- DAEP.

Hearing

A student facing expulsion shall be given a hearing with appropriate due process. The student is entitled to:

- Representation by the student's parent or another adult who can provide guidance to the student;
- An opportunity to respond to the allegation and to present evidence including video footage and witnesses in the student's defense; and

- An opportunity to question the witnesses called by the district at the hearing.

After providing notice to the student and parent of the hearing, the district may hold the hearing regardless of whether the student or the student's parent attends.

The board of trustees delegates to the Department of Student Affairs the authority to conduct hearings and expel students.

Expulsion Order

Before ordering the expulsion, the board or campus behavior coordinator shall take into consideration:

- Self-defense (See glossary);
- Intent or lack of intent at the time the student engaged in the conduct;
- The student's disciplinary history;
- A disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct;
- A student's status in the conservatorship of the Department of Family and Protective Services (foster care); or
- A student's status as homeless.

If the student is expelled, the board or its designee shall deliver to the student and the student's parent a copy of the order expelling the student.

Not later than the second business day after the hearing, the *Department of Student Affairs* shall deliver to the juvenile court a copy of the expulsion order and the information required by Section 52.04 of the Family Code. A copy of the expulsion order will be included with any records sent toa school where the student seeks to enroll. The enrolling school District has discretion to enforcethe expulsion order.

If the length of the expulsion is inconsistent with the guidelines included in the Student Code of Conduct, the expulsion order shall give notice of the inconsistency.

Length of Expulsion

The length of an expulsion shall be based on the seriousness of the offense, the student's age and grade level, the frequency of misbehavior, the student's attitude, and statutory requirements. The duration of a student's expulsion shall be determined on a case-by-case basis. The maximum period of expulsion is one calendar year, except as provided below.

An expulsion may not exceed one year unless, after review, the district determines that:

- The student is a threat to the safety of other students or to district employees; or
- Extended expulsion is in the best interest of the student.

State and federal law require a student to be expelled from the regular classroom for a period of at least one calendar year for bringing a firearm, as defined by federal law, to school. However, the superintendent may modify the length of the expulsion on a case-by-case basis.

Students who commit offenses that require expulsion at the end of one school year may be expelled into the next school year to complete the term of expulsion.

District Expulsion Program (DEP)

The District Expulsion Program is a self-contained, separate disciplinary placement from the DAEP that maintains the expelled student on the FBISD alternative campus rather than placed

off site at the JJAEP. This expulsion option is available for consideration by the expulsion hearing officer when a student has an extenuating circumstance that makes placement at the JJAEP inappropriate.

Withdrawal During Process

When a student's conduct requires or permits expulsion from the district and the student withdraws from the district before the expulsion hearing takes place, the district may conduct the hearing after sending written notice to the parent and student.

If the student then re-enrolls in the district during the same or subsequent school year, the district may enforce the expulsion order at that time, less any expulsion period that has been served by the student during enrollment in another district.

If the campus behavior coordinator or the board fails to issue an expulsion order after the student withdraws, the next district in which the student enrolls may complete the proceedings.

Additional Misconduct

If during the expulsion, the student engages in additional conduct for which placement in a DAEP or expulsion is required or permitted, additional proceedings may be conducted, and the campus behavior coordinator may request additional disciplinary action.

Expulsion while in DAEP

A student may be recommended for an expulsion for engaging in documented serious misbehavior that violated this Code, despite documented behavioral interventions while placed in a DAEP. A student who is expelled for an offense that otherwise would have resulted in a DAEP placement does not have to be placed in a DAEP in addition to the expulsion. For purposes of discretionary expulsion from a DAEP, serious misbehavior means:

- Deliberate violent behavior that poses a direct threat to the health or safety of others;
- Extortion, meaning the gaining of money or other property by force or threat;
- Conduct that constitutes coercion, as defined by §1.07, Tex. Penal Code; or
- Conduct that constitutes the offense of public lewdness, indecent exposure, criminal mischief, personal hazing or harassment.

Restrictions During Expulsion

Expelled students are prohibited from being on school grounds or attending school-sponsored or school-related activities during the period of expulsion.

No district academic credit shall be earned for work missed during the period of expulsion unless the student is enrolled in a JJAEP or another district-approved program.

Newly Enrolled Students

The district shall decide on a case-by-case basis the placement of a student who is subject to an expulsion order from another district or an open-enrollment charter school upon enrollment in the district.

If a student expelled in another state enrolls in the district, the district may continue the expulsion under the terms of the expulsion order, may place the student in a DAEP for the period specified in the order, or may allow the student to attend regular classes if:

- The out-of-state district provides the district with a copy of the expulsion order; and
- The offense resulting in the expulsion is also an expellable offense in the district in which the student is enrolling.

If a student is expelled by a district in another state for a period that exceeds one year and the

district continues the expulsion or places the student in a DAEP, the district shall reduce the period of the expulsion or DAEP placement so that the entire period does not exceed one year, unless after a review it is determined that:

- The student is a threat to the safety of other students or district employees; or
- Extended placement is in the best interest of the student.

Emergency Expulsion Procedures

When an emergency expulsion is necessary to protect persons or property from imminent harm, the student shall be given verbal notice of the reason for the action. Within ten days after the date of the emergency expulsion, the student shall be given appropriate due process required for a student facing expulsion.

DAEP Placement of Expelled Students

The district may provide educational services to any expelled student in a DAEP; however, educational services in the DAEP must be provided if the student is less than ten years of age.

Transition Services

In accordance with law and district procedures, campus staff shall provide transition services for a student returning to the regular classroom from placement in an alternative education program, including a DAEP or JJAEP. See policies FOCA (LEGAL) and FODA (LEGAL) for more information.

Academic Impact

Students will not receive academic credit for work missed during the period of expulsion unless the student is enrolled in a Juvenile Justice Alternative Education Program (JJAEP), District Expulsion Program (DEP), or other District-approved program or as required by the IDEA or Section 504.

Expulsion Appeal Process

Questions from parents/guardians regarding disciplinary measures should be addressed to the teacher, campus administration, or CBC, as appropriate. Appeals or complaints regarding the use of specific discipline techniques should be addressed in accordance with policy FNG (Local). The policy may be obtained from the Board Policy Manual on the FBISD website. The district shall not delay a disciplinary consequence while a student or parent/guardian pursues a grievance.

The expulsion hearing officers decision may be appealed to the Board. In the event of an appeal, at the next scheduled meeting the Board will: (1) review the notice, (2) hear statements from the student, the student's parent/guardian, and the CBC or administrator, and (3) confirm or reverse the decision of the CBC or administrator.

After the due process hearing, the expelled student may request that the Board review the expulsion decision. The student or parent/guardian must submit a written request to the Superintendent within seven days after receipt of the written decision. The Superintendent must provide the student or parent/guardian written notice of the date, time, and location of the meeting at which the board will review the decision.

The Board shall review the record of the expulsion hearing in a closed meeting unless the parent/guardian requests in writing that the matter be held in an open meeting. The Board may also hear a statement from the student or parent/guardian and from the Board's designee.

The Board shall hear statements made by the parties at the review and will base its decision on evidence reflected in the record and any statements made by the parties at the review. The Board shall make and communicate its decision orally at the conclusion of the presentation. Consequences shall not be deferred pending the outcome of the appeal.

If the Board confirms the decision of the hearing officer, the student and the student's parent/guardian have the right to appeal to the Commissioner of Education. The student may not be returned to the regular classroom while the appeal is pending.

Texas Education Data Standards (TEDS) Appendix E

The Texas Education Data Standards (TEDS) Appendix E provides guidance to local school districts in Texas related to discipline management. TEDS Appendix E produces information to ensure consistency in discipline management in Texas. The TEDS Appendix E is broken into three major components that can be further explored using the following links:

- Providing helpful FAQs to understand common topics: Click here for FAQ's
- Provides state specific discipline codes and definitions to preserve continuity of actions that are assigned to discipline in PEIMS. Click here for definitions and codes
- Provides a chart for districts to utilize when determining offenses that are mandatory and discretionary DAEP placements or expulsions to the JJAEP. Click here for state offense and action charts

These are usually first time or rare occurrences of the offense, however, repeated instances of these offenses could result in a more harsh consequence such as ISS/OSS. It is recommended that campuses consult with a PBIS team member to determine appropriate interventions that could deter persistent student misconduct.

Discipline Offenses by Level: Level I offenses and actions are not reported to the state's Public Education Information Management System (PEIMS). The offenses are low level offenses and are usually resolved with school based strategies rather than exclusionary discipline such as ISS or OSS.

Most Common Offense Codes With Available Actions	**Potential Disciplinary Actions** **Level I; *ISS, OSS*** *(DAEP and expulsions are not an option)*					
These offenses are more appropriately handled with *School Based Strategies such as:* • Behavior contract • Change Seat • Cooling-off Time • Counseling/ mediation • Referral to office/court • Verbal Correction ***Black Out Actions are Not Available***	**Additional action options:** Assigned School Duties, Confiscation, Contact w/ Parent, Restorative Conference/Chat, Counseling by Staff , Detention, Grade Reduction for Cheating, Parent Conference, Restorative Circle, Restriction Bus Privileges, Withdrawal of Privileges, Student Conference, Saturday Detention	**ISS**	**OSS**	**DAEP**	**DEP**	**JJAEP**
LEVEL I Offenses						
Bus Misconduct	✓					
Disrupting Educational Environment	✓					
Dress Code	✓					
Exhibit Inappropriate Familiarity *(e.g. kissing/touching)*	✓					
Horseplay	✓					
Leaving School	✓					
Minor Acceptable User Policy (AUP) Violation *(e.g. playing games)*	✓					
Obscene Gesture	✓					
Referral Dismissed	✓					
Safety Rule Violation	✓					
Skipping a Class	✓					
Tardies	✓					
Truancy Diversion Program	✓					
Truancy Warning Letter Student Affairs Only	✓					
Use of Telecommunication Device	✓					

***Repeated Level II Offenses that substantially disrupt the educational environment and/or safety of the campus, may result in a discretionary DAEP placement.**

Level II offenses are more elevated than Level I offenses due to repeated behavior or severity of a single offense. Level II offenses are reported to PEIMS. While considered a relatively low level offense, campus administrators may but are not required to assign exclusionary discipline such as ISS or OSS. As part of a progressive discipline plan, ISS should be assigned to a first Level II offense. OSS may be assigned to repeated or severe Level II offenses. OSS may not be assigned to students K-2 or those identified as McKinney-Vento.

Most Common Offense Codes With Available Actions	**Potential Level II Disciplinary Actions** **Level I Actions; *ISS, OSS*** *(DAEP is discretionary and expulsions are not an option)*					
These offenses are more appropriately handled with *School Based Strategies such as:* • Behavior contract • Change Seat • Cooling-off Time • Counseling/ mediation • Referral to office/court • Verbal Correction ***Black Out Actions are Not the most appropriate for the offense.***	**Additional action options:** Assigned School Duties, Confiscation, Contact w/ Parent, Restorative Conference/Chat, Counseling by Staff, Detention, Grade Reduction for Cheating, Parent Conference, Restorative Circle, Restriction Bus Privileges, Withdrawal of Privileges, Student Conference, Saturday Detention	**ISS**	**OSS**	**DAEP**	**DEP**	**JJAEP**
LEVEL II Offenses						
Bullying *(documented)*	✓	✓	✓			
Cheating	✓	✓	✓			
Coercion/Extortion	✓	✓	✓			
Computer/Technology Misuse	✓	✓	✓			
Continued/Rpt Non-PEIMS reportable violations	✓	✓	✓			
Cyberbullying *(documented)*	✓	✓	✓			
Dating Violence	✓	✓	✓			
Derogatory Statement	✓	✓	✓			
Disruptive Behavior	✓	✓	✓			
Failure to Comply with Assigned Discipline	✓	✓	✓			

***Repeated Level II Offenses that substantially disrupt the educational environment and/or safety of the campus, may result in discretionary DAEP placement**

Most Common Offense Codes With Available Actions	**Potential Level II Disciplinary Actions** **Level I Actions; *ISS, OSS*** *(DAEP is discretionary and expulsions are not an option)*					
These offenses are more appropriately handled with *School Based Strategies such as:* • Behavior contract • Change Seat • Cooling-off Time • Counseling/ mediation • Referral to office/court • Verbal Correction ***Black Out Actions are Not the most appropriate for the offense.***	**Additional action options:** Assigned School Duties, Confiscation, Contact w/ Parent, Restorative Conference/Chat Counseling by Staff, Detention Grade Reduction for Cheating Parent Conference, Restorative Circle Restriction Bus Privileges, Withdrawal of Privileges Student Conference, Saturday Detention	**ISS**	**OSS**	**DAEP**	**DEP**	**JJAEP**
LEVEL II Offenses-Continued						
False Document	✓	✓	✓			
Gambling	✓	✓	✓			
Harassment *(documented)*	✓	✓	✓			
Inappropriate Physical Contact *(i.e. hitting, grabbing)*	✓	✓	✓			
Insubordination	✓	✓	✓			
Look Alike Weapon	✓	✓	✓			
Non DAEP Threat	✓	✓	✓			
Permanent Teacher Removal – TEC 37.002	✓	✓	✓			
Porn Materials	✓	✓	✓			
Possess/Sell Look Alike Drug	✓	✓	✓			
Possess/Use Matches or Lighter	✓	✓	✓			
Profanity	✓	✓	✓			
Possession, Sell, Use, Under the Influence (PSUU) Over Counter Medicine	✓	✓	✓			

***Repeated Level II Offenses that substantially disrupt the educational environment and/or safety of the campus, may result in a discretionary DAEP placement.**

Most Common Offense Codes With Available Actions	**Potential Level II Disciplinary Actions** **Level I; *ISS, OSS*** (*DAEP is discretionary and expulsions are not an option*)					
Black Out Actions are Not Available	**Level I Actions**	**ISS**	**OSS**	**DAEP**	**DEP**	**JJAEP**
LEVEL II Offenses-Continued						
Fighting or Mutual Combat	✓	✓	✓	Discretionary		
Theft/Stealing *(non-felony)*	✓	✓	✓	Discretionary		
Below is a list of common Serious Offenses: *(see glossary)*	✓	✓	✓	Discretionary		
• Aggressive, disruptive behavior *(assault Class C misdemeanor)*	✓	✓	✓	Discretionary		
• Assault *(no bodily harm)* with threat of imminent bodily injury	✓	✓	✓	Discretionary		
• Assault by offensive or provocative physical contact	✓	✓	✓	Discretionary		
• Continued/repeated PEIMS reportable violations	✓	✓	✓	Discretionary		
• Extortion/Coercion/Blackmail	✓	✓	✓	Discretionary		
• Falsification of records/school related documents	✓	✓	✓	Discretionary		
• Inappropriate physical contact with criminal referral	✓	✓	✓	Discretionary		
• Knife blade <5.5 inches	✓	✓	✓	Discretionary		
• Making/ Assisting with making a false alarm or report non-emergency response deployed	✓	✓	✓	Discretionary		
• Possesses/conspiring to possess explosives/explosive devices	✓	✓	✓	Discretionary		
• Possession or use of a stun gun/device, pepper spray, BB/air gun, etc.	✓	✓	✓	Discretionary		
• Possession/Distribution of pornographic materials	✓	✓	✓	Discretionary		

***Repeated Level II Offenses that substantially disrupt the educational environment and/or safety of the campus, may result in a discretionary DAEP placement.**

Most Common Offense Codes With Available Actions Serious Offenses Continued: *(see glossary)*	**Potential Level II Disciplinary Actions** ***Level I; ISS, OSS*** *(DAEP is discretionary and expulsions are not an option)*					
Black Out Actions are Not Available	**Level I Actions**	**ISS**	**OSS**	**DAEP**	**DEP**	**JJAEP**
LEVEL II Offenses-Continued						
Repeated or severe insubordination	✓	✓	✓	Discretionary		
Repeatedly leaving school grounds without permission	✓	✓	✓	Discretionary		
Robbery (non-felony)	✓	✓	✓	Discretionary		
Unauthorized use/intentional misuse of computer soft/hardware	✓	✓	✓	Discretionary		
Sexual Harassment (documented)	✓	✓	✓	Discretionary		
Sexual Misconduct (documented)	✓	✓	✓	Discretionary		
Vandalism	✓	✓	✓	Discretionary		
Weapons Age <6yrs	✓	✓	✓			

Level III and Level IV offenses are the most severe offense and are directly regulated by the TEDS Appendix E offense coding system both by definition and location. These offenses are most commonly tied to a criminal code; however, the actions are driven by the Student Code of Conduct. Students are first placed in OSS pending a resolution to the investigation and are placed in ISS pending the MDR process for students receiving SPED/504 services and the due process review by the Department of Student Affairs.

Most Common Offense Codes With Available Actions	**Potential Level III and Level IV Disciplinary Actions** Mandatory ISS, OSS, and up to DAEP *or* Expulsion as indicated					
Black Out Actions are Not Available	**Level I Actions**	**ISS**	**OSS**	**DAEP**	**DEP**	**JJAEP**
LEVEL III and IV Offense						
Abuse of Volatile Chemical	✓	✓	✓	Mandatory	Discretionary	Discretionary
Aggravated Assault against Non-School District Employee	✓	✓	✓			Mandatory
Aggravated Assault against School District Employee	✓	✓	✓			Mandatory
Aggravated Kidnapping	✓	✓	✓			Mandatory
Aggravated Robbery	✓	✓	✓			Mandatory
Arson	✓	✓	✓		Discretionary	Mandatory
Assault against School District Employee	✓	✓	✓	Mandatory	Discretionary	Discretionary
Assault against Someone other than School District Employee	✓	✓	✓	Mandatory	Discretionary	Discretionary
Breach of Security	✓	✓	✓		Discretionary	Discretionary
Brought Firearm to School	✓	✓	✓			Mandatory

Most Common Offense Codes With Available Actions	**Potential Level III and Level IV Disciplinary Actions** Mandatory ISS, OSS, and up to DAEP *or* Expulsion as indicated					
Black Out Actions are Not Available	**Level I Actions**	**ISS**	**OSS**	**DAEP**	**DEP**	**JJAEP**
LEVEL III and IV Offense-Continued						
Conduct Containing Elements of An Offense Relating to Prohibited Weapons	✓	✓	✓			Mandatory
Conduct punishable as a Felony	✓	✓	✓	Mandatory		
Conduct/Off Campus/No School Related Sponsored for Felony Title 5	✓	✓	✓	Mandatory	Discretionary	Discretionary
Continuous Sexual Abuse of Young Child or Children	✓	✓	✓			Mandatory
Criminal Mischief – Felony Violation	✓	✓	✓		Discretionary	Discretionary
Criminally Negligent Homicide	✓	✓	✓			Mandatory
Emergency Placement/Expulsion	✓	✓	✓	Discretionary	Discretionary	Discretionary
Engages in Conduct Punishable as Felony	✓	✓	✓	Mandatory		
Engages in Deadly Conduct	✓	✓	✓	Discretionary	Discretionary	Discretionary
False Alarm/False Report	✓	✓	✓	Mandatory	Discretionary	Discretionary
Felony Alcohol Violation	✓	✓	✓	Mandatory	Discretionary	Discretionary
Felony Controlled Substance Violation	✓	✓	✓	Mandatory	Discretionary	Discretionary
Harassment against an employee of the school district under Penal Code 42.07,	✓	✓	✓	Mandatory		
Indecency with a Child	✓	✓	✓			Mandatory
Manslaughter	✓	✓	✓			Mandatory

Most Common Offense Codes With Available Actions	**Potential Level III and Level IV Disciplinary Actions are Mandatory ISS, OSS, and up to DAEP *or* Expulsion as indicated**					
Black Out Actions are Not Available		**ISS**	**OSS**	**DAEP**	**DEP**	**JJAEP**
LEVEL III and IV Offense-Continued						
Murder, Capital Murder, Criminal Attempt to Commit Murder or Capital Murder	✓	✓	✓			173 Mandatory
PSUU Cigarette or Tobacco product as defined in the Health and Safety Code	✓	✓	✓			
PSUU Alcohol	✓	✓	✓	Mandatory	Discretionary	Discretionary
PSUU Marijuana or Controlled Substance or Dangerous Drug	✓	✓	✓	Mandatory	Discretionary	Discretionary
Vaping with THC	✓	✓	✓	Mandatory	Discretionary	Discretionary
Vaping with no THC	✓	✓	✓	Mandatory		
Public Lewdness or Indecent Exposure	✓	✓	✓	Mandatory	Discretionary	Discretionary
Retaliation Against School Employee	✓	✓	✓	Mandatory	Discretionary	Discretionary
School Related Gang Violence	✓	✓	✓	Discretionary	Discretionary	Discretionary
Serious Bullying- TEC 37.0052	✓	✓	✓	Discretionary		
Serious Misbehavior while expelled to/placed in a DAEP	✓	✓	✓	Mandatory	Discretionary	Discretionary

Most Common Offense Codes With Available Actions	**Potential Level III and Level IV Disciplinary Actions Mandatory ISS, OSS, and up to DAEP *or* Expulsion as indicated**					
Black Out Actions are Not Available		**ISS**	**OSS**	**DAEP**	**DEP**	**JJAEP**
LEVEL III and IV Offense-Continued						
Sexual Assault or Aggravated Assault against School District Employee	✓	✓	✓			Mandatory
Sexual Assault or Aggravated Sexual Assault against Someone other than School District	✓	✓	✓			Mandatory
Student Required to Register as a Sex Offender – Not Under Court Supervision	✓	✓	✓	Discretionary		
Student Required to Register as a Sex Offender – Under Court Supervision	✓	✓	✓	Mandatory	Discretionary	Discretionary
Terroristic Threat	✓	✓	✓	Mandatory	Discretionary	Discretionary
Unlawful Carry of a Club	✓	✓	✓		Mandatory	
Unlawful Carry of A Location Restricted Knife	✓	✓	✓		Mandatory	

Glossary

Abuse is improper or excessive use.

Aggravated robbery is defined in part by Penal Code 29.03(a) as when a person commits robbery and:

- Causes serious bodily injury to another;
- Uses or exhibits a deadly weapon; or
- Causes bodily injury to another person or threatens or places another person in fear of imminent bodily injury or death, if the other person is:
  - 65 years of age or older, or
  - A disabled person.

Armor-piercing ammunition is defined by Penal Code 46.01 as handgun ammunition used in pistols and revolvers and designed primarily for the purpose of penetrating metal or body armor.

Arson is defined in part by Penal Code 28.02 as a crime that involves:

- Starting a fire or causing an explosion with intent to destroy or damage:
  - Any vegetation, fence, or structure on open-space land; or
  - Any building, habitation, or vehicle:
    - Knowing that it is within the limits of an incorporated city or town;
    - Knowing that it is insured against damage or destruction;
    - Knowing that it is subject to a mortgage or other security interest;
    - Knowing that it is located on property belonging to another;
    - Knowing that it has located within it property belonging to another; or
    - When the person starting the fire is reckless about whether the burning or explosion will endanger the life of some individual or the safety of the property of another.
- Recklessly starting a fire or causing an explosion while manufacturing or attempting to manufacture a controlled substance if the fire or explosion damages any building, habitation, or vehicle; or
- Intentionally starting a fire or causing an explosion and in so doing:
  - Recklessly damaging or destroying a building belonging to another; or
  - Recklessly causing another person to suffer bodily injury or death.

Assault is defined in part by Penal Code 22.01 as intentionally, knowingly, or recklessly causing bodily injury to another; intentionally or knowingly threatening another with imminent bodily injury; or intentionally or knowingly causing physical contact with another that can reasonably be regarded as offensive or provocative.

Bodily Injury means physical pain, illness, or any impairment of physical condition. Texas Penal Code § 1.07 (8)

Breach of computer security includes knowingly accessing a computer, computer network, or computer system without the effective consent of the owner as defined in Penal Code 33.02, if the conduct involves accessing a computer, computer network, or computer system owned by or operated on behalf of a school district and the student knowingly alters, damages, or deletes school district property or information or commits a breach of any other computer, computer network, or computer system.

Bullying is defined by *Texas Education Code 37.0832* as a single significant act or a pattern of acts by one or more students directed at another student that exploits an imbalance of power and involves engaging in written or verbal expression, expression through electronic means, or physical conduct that:

- Has the effect or will have the effect of physically harming a student, damaging a student's property, or placing a student in reasonable fear of harm to the student's person or damage to the student's property;
- Is sufficiently severe, persistent, or pervasive enough that the action or threat creates an intimidating, threatening, or abusive educational environment for a student;
- Materially and substantially disrupts the educational process or the orderly operation of a classroom or school; or
- Infringes on the rights of the victim at school.

Bullying includes cyberbullying. (See below.) This state law on bullying prevention applies to:

- Bullying that occurs on or is delivered to school property or to the site of a school-sponsored or school-related activity on or off school property;
- Bullying that occurs on a publicly or privately owned school bus or vehicle being used for transportation of students to or from school or a school-sponsored or school-related activity; and
- Cyberbullying that occurs off school property or outside of a school-sponsored or school-related activity if the cyberbullying interferes with a student's educational opportunities or substantially disrupts the orderly operation of a classroom, school, or school-sponsored or school-related activity.

Cheating is defined as giving or receiving information or help on a test; possession of any unauthorized material during a test; copying another student's assignment or knowingly allowing another unauthorized student to copy from his/her assignment; working with others on a project that is meant to be done individually; unauthorized possession of test or quiz questions and/or answer sheets; completing an assignment, test or quiz on behalf of another student; submitting duplicate work; having someone else complete an assignment, test, or quiz on behalf of the student, accessing a teacher edition, or other examples of academic dishonesty. Using electronic devices to send or receive information as described above or utilizing Artificial Intelligence (AI) to represent a student's original work is also classified as cheating.

Chemical dispensing device is defined by Penal Code 46.01 as a device designed, made, or adapted for the purpose of dispensing a substance capable of causing an adverse psychological or physiological effect on a human being. A small chemical dispenser sold commercially for personal protection is not in this category.

Club is defined by Penal Code 46.01 as an instrument, specially designed, made, or adapted for the purpose of inflicting serious bodily injury or death by striking a person with the instrument, and includes but is not limited to a blackjack, nightstick, mace, and tomahawk.

Continued/Rpt Non-PEIMS reportable violations are repeated documented level 1 offenses.

Controlled substance means a substance, including a drug, an adulterant, and a dilutant, listed in Schedules I through V or Penalty Group 1, 1-A, 1-B, 2, 2-A, 3, or 4 of the Texas Controlled Substances Act. The term includes the aggregate weight of any mixture, solution, or other substance containing a controlled substance. The term does not include hemp, as defined by Agriculture Code 121.001, or the tetrahydrocannabinols (THC) in hemp.

Criminal street gang is defined by Penal Code 71.01 as three or more persons having a common identifying sign or symbol or an identifiable leadership who continuously or regularly associate in the commission of criminal activities.

Cyberbullying is defined by Education Code 37.0832 as bullying that is done through the use of any electronic communication device, including through the use of a cellular or other type of telephone, a computer, a camera, electronic mail, instant messaging, text messaging, a social media application, an internet website, or any other internet-based communication tool.

Dangerous drug is defined by Health and Safety Code 483.001 as a device or a drug that is unsafe for self-medication and that is not included in Schedules I through V or Penalty Groups 1 through 4 of the Texas Controlled Substances Act. The term includes a device or drug that federal law prohibits dispensing without prescription or restricts to use by or on the order of a licensed veterinarian.

Dating violence occurs when a person in a current or past dating relationship uses physical, sexual, verbal, or emotional abuse to harm, threaten, intimidate, or control another person in the relationship. Dating violence also occurs when a person commits these acts against a person in a marriage or dating relationship with the individual who is or was once in a marriage or dating relationship with the person committing the offense, as defined by Section 71.0021 of the Family Code.

Deadly conduct under Penal Code 22.05 occurs when a person recklessly engages in conduct that places another in imminent danger of serious bodily injury, such as knowingly discharging a firearm in the direction of an individual, habitation, building, or vehicle.

Deferred adjudication is an alternative to seeking a conviction in court that may be offered to a juvenile for delinquent conduct or conduct indicating a need for supervision.

Deferred prosecution may be offered to a juvenile as an alternative to seeking a conviction in court for delinquent conduct or conduct indicating a need for supervision.

Delinquent conduct is conduct that violates either state or federal law and is punishable by imprisonment or confinement in jail. It includes conduct that violates certain juvenile court orders, including probation orders, but does not include violations of traffic laws.

Discretionary means that something is left to or regulated by a local decision maker.

Disruptive Behavior is when a student engages in behavior causing an interruption in a class or activity. Disruption includes but is not limited to sustained yelling; screaming; noise created with objects; horseplay or roughhousing; off-task behavior that impedes on other people's ability

to learn, and/or sustained non-compliant out-of-seat behavior that distracts from student learning.

Disruption of the Educational Environment is defined as conduct by students either in or out of class which for any reason — whether because of time, place, or manner of behavior— materially disrupts classwork or involves substantial disorder or invasion of the rights of others is prohibited. For purposes of this rule, "school property" shall include the public school campuses or school grounds or buildings used by the District schools for assemblies or other school-related activities, and "public property" includes any street, highway, alley, public park, or sidewalk. No person shall be permitted, on school property or on public property within 300 feet of school property, to intentionally disrupt, alone or in concert with others, the conduct of classes or other school activities. Conduct which disrupts the educational activities of a school includes:

- Emissions by means of noise of an intensity that prevents or hinders classroom instruction;
- Enticement or attempted enticement of students away from classes or other school activities that students are required to attend;
- Prevention or attempted prevention of students from attending classes or other school activities that students are required to attend; and
- Entrance into a classroom without consent of either the principal or the teacher and either through acts of misconduct and/or use of loud or profane language causing disruption of class activities.

E-cigarette means an electronic cigarette or any other device that simulates smoking by using a mechanical heating element, battery, or electronic circuit to deliver nicotine or other substances to the individual inhaling from the device or a consumable liquid solution or other material aerosolized or vaporized during the use of an electronic cigarette or other device described by this provision. The term includes any device that is manufactured, distributed, or sold as an e-cigarette, e-cigar, or e-pipe or under another product name or description and a component, part, or accessory for the device, regardless of whether the component, part, or accessory is sold separately from the device.

Exhibit Inappropriate Familiarity (e.g. kissing/touching) is unwanted physical touch, unwanted physical advances, improper intimate friendliness, attempts to touch inappropriately

Explosive weapon is defined by Penal Code 46.01 as any explosive or incendiary bomb, grenade, rocket, or mine and its delivery mechanism that is designed, made, or adapted for the purpose of inflicting serious bodily injury, death, or substantial property damage, or for the principal purpose of causing such a loud report as to cause undue public alarm or terror.

Failure to Comply with Assigned Discipline is when a student refuses to complete an assigned disciplinary action.

False alarm or report under Penal Code 42.06 occurs when a person knowingly initiates, communicates, or circulates a report of a present, past, or future bombing, fire, offense, or other emergency that he or she knows is false or baseless and that would ordinarily:

- Cause action by an official or volunteer agency organized to deal with emergencies;
- Place a person in fear of imminent serious bodily injury; or
- Prevent or interrupt the occupation of a building, room, or place of assembly.

False Document is when a student presents false documents or misrepresents parent notice

Fighting/Mutual Combat is mutual intentional participation in a physical altercation. Includes but is not limited to pushing, hitting, kicking, shoving, pinching, punching, and other intentional physical confrontations. Threatening interactions or antagonistic behavior prior to the encounter willnot be considered as self-defense.

Firearm is defined by federal law (18 U.S.C. 921(a)) as:

- Any weapon (including a starter gun) that will, is designed to, or may readily be converted to expel a projectile by the action of an explosive;
- The frame or receiver of any such weapon;
- Any firearm muffler or firearm silencer, defined as any device for silencing, muffling, or diminishing the report of a portable firearm; or
- Any destructive device, such as any explosive, incendiary or poison gas bomb, or grenade.

Such term does not include an antique firearm.

Gambling is an agreement to win or lose something of value solely or partially by chance.

Graffiti includes markings with paint, an indelible pen or marker, or an etching or engraving device on tangible property without the effective consent of the owner. The markings may include inscriptions, slogans, drawings, or paintings.

Handgun is defined by Penal Code 46.01 as any firearm that is designed, made, or adapted to be fired with one hand.

Harassment includes:

- Conduct that meets the definition established in district policies DIA (LOCAL) and FFH (LOCAL);
- Conduct that threatens to cause harm or bodily injury to another person, including a district student, employee, board member, or volunteer; is sexually intimidating; causes physical damage to the property of another student; subjects another student to physical confinement or restraint; or maliciously and substantially harms another student's physical or emotional health or safety, as defined in Education Code 37.001(b)(2); or
- Conduct that is punishable as a crime under Penal Code 42.07, including the following types of conduct if carried out with the intent to harass, annoy, alarm, abuse, torment, or embarrass another:
  - Initiating communication and, in the course of the communication, making a comment, request, suggestion, or proposal that is obscene, as defined by law;
  - Threatening, in a manner reasonably likely to alarm the person receiving the threat, to inflict bodily injury on the person or to commit a felony against the person, a member of the person's family or household, or the person's property;
  - Conveying, in a manner reasonably likely to alarm the person receiving the report, a false report, which is known by the conveyor to be false, that another person has suffered death or serious bodily injury;

- Sending repeated electronic communications in a manner reasonably likely to harass, annoy, alarm, abuse, torment, embarrass, or offend another; and
- Publishing on an internet website, including a social media platform, repeated electronic communications in a manner reasonably likely to cause emotional distress, abuse, or torment to another person, unless the communications are made in connection with a matter of public concern, as defined by law.
- Causing the telephone of another to ring repeatedly or making repeated telephone communications anonymously or in a manner reasonably likely to harass, annoy, alarm, abuse, torment, embarrass, or offend another;
- Making a telephone call and intentionally failing to hang up or disengage the connection;
- Knowingly permitting a telephone under the person's control to be used by another to commit an offense under this section.
- Making obscene, intimidating, or threatening telephone calls or other electronic communications from a temporary or disposable telephone number provided by an internet application or other technological means.

Hazing is defined by Education Code 37.151 as an intentional, knowing, or reckless act, on or off campus, by one person alone or acting with others, directed against a student for the purpose of pledging, initiation into, affiliation with, holding office in, or maintaining membership in a student organization if the act meets the elements in Education Code 37.151, including:

- Any type of physical brutality;
- An activity that subjects the student to an unreasonable risk of harm or that adversely affects the student's mental or physical health, such as sleep deprivation, exposure to the elements, confinement to small spaces, calisthenics, or consumption of food, liquids, drugs, or other substances;
- An activity that induces, causes, or requires the student to perform a duty or task that violates the Penal Code; or
- Coercing a student to consume a drug or alcoholic beverage in an amount that would lead a reasonable person to believe the student is intoxicated.

Hit list is defined by Education Code 37.001 (3) as a list of people targeted to be harmed, using: (A) a firearm, as defined by Section 46.01(3), Penal Code; (B) a knife, as defined by Section 46.01(7), Penal Code; or (C) any other object to be used with intent to cause bodily harm.

Horseplay is defined as rough or boisterous play.

Improvised explosive device is defined by Penal Code 46.01 as a completed and operational bomb designed to cause serious bodily injury, death, or substantial property damage that is fabricated in an improvised manner using nonmilitary components.

Inappropriate Physical Contact (i.e. hitting, grabbing) is intentionally or knowingly causes physical contact with another when the person knows or should reasonably believe that the other will regard the contact as offensive or provocative. (Texas Penal Code, Title V, Chapter 22, Section 22.01)

Indecent exposure is defined by Penal Code 21.08 as an offense that occurs when a person exposes the person's anus or any part of the person's genitals with intent to arouse or gratify the sexual desire of any person, and is reckless about whether another is present who will be offended or alarmed by the act.

Insubordination is when a student engages in refusal to follow directions or talks back.

Intimate visual material is defined by Civil Practices and Remedies Code 98B.001 and Penal Code 21.16 as visual material that depicts a person with the person's intimate parts exposed or engaged in sexual conduct. "Visual material" means any film, photograph, video tape, negative, or slide of any photographic reproduction or any other physical medium that allows an image to be displayed on a computer or other video screen and any image transmitted to a computer or other video screen.

Knuckles means any instrument consisting of finger rings or guards made of a hard substance and designed or adapted for inflicting serious bodily injury or death by striking a person with a fist enclosed in the knuckles.

Leaving school is defined as leaving the campus without authorization, permission, or following appropriate campus protocols.

Location-restricted knife is defined by Penal Code 46.01 as a knife with a blade over five and one-half inches.

Look-alike weapon means an item that resembles a weapon but is not intended to be used to cause serious bodily injury.

Machine gun as defined by Penal Code 46.01 is any firearm that is capable of shooting more than two shots automatically, without manual reloading, by a single function of the trigger.

Mandatory means that something is obligatory or required because of an authority.

Non DAEP Threat- A transient threat or threat not meeting the level to cause fear as determined by a campus or district threat assessment.

Obscene Gesture is when a movement or position of the body, especially of the hands or arms that is considered exceedingly offensive or vulgar.

Paraphernalia are devices that can be used for inhaling, ingesting, injecting, or otherwise introducing a controlled substance into a human body.

Positive Behavioral Interventions and Supports (PBIS) is defined as a decision-making framework that guides the selection, integration, and implementation of evidenced based academic and behavioral practices for improving important academic and behavioral outcomes for all students.

Possess/Sell/Use Over Counter Medicine- Possession, under the influence, or distributing over the countermedicine.

Possess/Sell/Use Look Alike Drug In possession of or distributing a substance that appears or is presented as a controlled substance.

Possess/Sell/Use Matches or Lighter Use/possession of combustibles-Student is/was in possession of substances/objects readily capable of causing bodily harm and/or property damage(matches, lighters, firecrackers, gasoline, and lighter fluid).

Possession means actual care, custody, control, or management. In regard to drugs and alcohol, a student may also be considered in possession by means of consumption. A student shall be considered to be in possession of any amount of a substance or object prohibited or regulated by this Student Code of Conduct if the substance or object is:

- On the student's person or in the student's personal property, including but not limited to the student's clothing, purse, book bag, backpack, or briefcase;

- In any private vehicle driven by the student to or from school or school-related activities, including but not limited to, an automobile, truck, motorcycle, or bicycle; or
- Telecommunications or electronic devices; or
- In any school property used by the student, including but not limited to, a locker or a desk.

Additionally, a student's self-admission to the possession of a prohibited substance or object at school or at a school-related activity is considered to have been in possession for the purpose of assessing school disciplinary consequences. Students should be cautious about holding on to items, distributing items, or placing items in their lockers for other students.

Profanity- Student delivers verbal messages that include swearing, name calling, or use of words in an inappropriate way.

Prohibited weapon under Penal Code 46.05(a) means:

- The following items, unless registered with the U.S. Bureau of Alcohol, Tobacco, Firearms, and Explosives or otherwise not subject to that registration requirement or

  unless the item is classified as a curio or relic by the U.S. Department of Justice:
  - An explosive weapon;
  - A machine gun;
  - A short-barrel firearm;
- Armor-piercing ammunition;
- A chemical dispensing device;
- A zip gun;
- A tire deflation device; or
- An improvised explosive device.

Public Lewdness is defined by Penal Code 21.07 as an offense that occurs when a person knowingly engages in an act of sexual intercourse, deviate sexual intercourse, or sexual contact in a public place or, if not in a public place, when the person is reckless about whether another is present who will be offended or alarmed by the act.

Public school fraternity, sorority, secret society, or gang means an organization composed wholly or in part of students that seeks to perpetuate itself by taking additional members from the students enrolled in school based on a decision of its membership rather than on the free choice of a qualified student. Educational organizations listed in Education Code 37.121(d) are excepted from this definition.

Reasonable belief is that which an ordinary person of average intelligence and sound mind would believe. Chapter 37 requires certain disciplinary decisions when the superintendent or designee has a reasonable belief that a student engaged in conduct punishable as a felony offense. In forming such a reasonable belief, the superintendent or designee may use all available information, including the notice of a student's arrest under Code of Criminal Procedure Article 15.27.

Referral Dismissed- Duplicated or erroneous discipline entry.

Restorative Practices is defined as an approach that helps strengthen relationships, build community, and prevent conflict. It is a way of being, thinking, interacting, teaching and learning centered around building relationships.

Robbery/Theft/Stealing (non-felony) is taking money or personal property without permission.

Safety Rule Violation- Level 1 offense that creates potential for harm to student's safety.

Self-defense is the use of force against another to the degree a person reasonably believes is immediately necessary to protect himself or herself. To claim self-defense, the student must (1) be without fault in provoking the encounter, (2) not act as aggressor, (3) overtly expresses a reluctance to engage in mutual combat and (4) use the minimum force required to remove himself or herself from immediate danger or harm. Actions that escalate or continue the encounter will not be considered self-defense. Threatening interactions or antagonistic behavior prior to the encounter will not be considered as self-defense.

Serious bodily injury means bodily injury that creates a substantial risk of death or that causes death, serious permanent disfigurement, or protracted loss or impairment of the function of any bodily member or organ.

Serious bullying TEC Sec.37.0052 (b) defines bullying behavior as:
(1) engages in bullying that encourages a student to commit or attempt to commit suicide;
(2) incites violence against a student through group bullying; or
(3) releases or threatens to release intimate visual material of a minor or a student who is 18 years of age or older without the student's consent

Serious misbehavior means;
(1) Deliberate violent behavior that poses a direct threat to the health or safety of others;
(2) Extortion, meaning the gaining of money or other property by force or threat;
(3) Conduct that constitutes coercion, as defined by Section 1.0, Penal Code; or
(4) Conduct that constitutes the offense of:
   a. Public lewdness under Penal Code 21.07;
   b. Indecent exposure under Penal Code 21.08
   c. Criminal mischief under Penal Code 28.03
   d. Hazing under Education Code 37.152; or
   e. Harassment under Penal Code 42.07(a)(1) of a student of district employee.

Serious offense or persistent misbehavior includes, but is not limited to:

- Behavior identified by the district as grounds for discretionary DAEP placement;
- Actions or demonstrations that substantially disrupt or materially interfere with school activities;
- Repeated or severe Insubordination;
- Repeated Profanity, vulgar language, or obscene gestures;
- Repeatedly leaving school grounds without permission;
- Falsification of records, passes, or other school-related documents;
- Refusal to accept discipline assigned by the teacher or principal;
- Continued/repeated PEIMS reportable violations;
- Extortion/Coercion/Blackmail;
- Possession/Distribution of pornographic materials;
- Possession of a knife blade <5.5 inches;
- Vandalism;
- Inappropriate physical contact with criminal referral;

- Possesses/conspiring to possess explosives/explosive devices;
- Possession or use of a stun gun/device, pepper spray, BB/air gun, etc.;
- Making/ Assisting with making a false alarm or report non-emergency response deployed;
- Aggressive, disruptive behavior (assault Class C misdemeanor);
- Unauthorized us/intentional misuse of computer soft/hardware;
- Assault (no bodily harm) with threat of imminent bodily injury; or
- Assault by offensive or provocative physical contact.

Sexting is defined as the practice of sending sexually suggestive, nude, or partially nude photographs and/or sexually explicit messages electronically.

Sexual harassment is defined as conduct that is so severe, pervasive, and objectively offensive that it can be said to deprive the victim of access to the educational opportunities or benefits provided by the school. Sexual harassment does not include simple acts of teasing and name- calling among school children, even when the comments target differences in gender. (Teasing or name-calling is disciplined based on the seriousness of the offense as specified on the discipline charts.) If a student believes he/she has been sexually harassed, the student or the student's parents should report the incident to any of the following: principal, assistant principal, counselor, or the District's Title IX Coordinator, or the Director of Human Resources.

If a student's conduct is offensive and unwelcome, campus administrators will determine how the conduct should be disciplined in accordance with the District's Discipline Management Plan and Student Code of Conduct. Consequences for misbehavior classified as sexual harassment apply to students of all ages.

Sexual misconduct is misconduct of a sexual nature that is of lesser offense than sexual harassment and other Title IX behaviors. These behaviors may include but are not limited to non-consensual groping, offensive sexually charged statements, unwanted sexual advances that do not meet criteria for Title IX offenses, statements or comments sexual in nature that a reasonable person would deem as offensive.

Short-barrel firearm is defined by Penal Code 46.01 as a rifle with a barrel length of less than 16 inches or a shotgun with a barrel length of less than 18 inches, or any weapon made from a rifle or shotgun that, as altered, has an overall length of less than 26 inches.

SK-Skipping a Class- Student leaves or misses class without permission.

Tardies- Student arrives at class after the bell (or signal that class has started).

Telecommunication device is defined as items such as, but not limited to, cell phones, smart phones, smart watches, electronic readers, and laptops with the capability of sending and receiving messages or information, and any related accessories including but not limited to wires, headphones, and ear clips.

Terroristic threat is defined by Penal Code 22.07 as a threat of violence to any person or property with intent to:

- Cause a reaction of any type by an official or volunteer agency organized to deal with emergencies;
- Place any person in fear of imminent serious bodily injury;
- Prevent or interrupt the occupation or use of a building; room, place of assembly, or place to which the public has access; place of employment or occupation; aircraft, automobile,

or other form of conveyance; or other public place;

- Cause impairment or interruption of public communications; public transportation; public water, gas, or power supply; or other public service;
- Place the public or a substantial group of the public in fear of serious bodily injury; or
- Influence the conduct or activities of a branch or agency of the federal government, the state, or a political subdivision of the state (including the district).

Tire deflation device is defined in part by Penal Code 46.01 as a device, including a caltrop or spike strip, that, when driven over, impedes or stops the movement of a wheeled vehicle by puncturing one or more of the vehicle's tires.

Title 5 felonies are those crimes listed in Title 5 of the Penal Code that typically involve injury to a person and may include:

- Murder, manslaughter, or homicide under Sections 19.02–.05;
- Kidnapping under Section 20.03;
- Trafficking of persons under Section 20A.02;
- Smuggling or continuous smuggling of persons under Sections 20.05–.06;
- Assault under Section 22.01;
- Aggravated assault under Section 22.02;
- Sexual assault under Section 22.011;
- Aggravated sexual assault under Section 22.021;
- Unlawful restraint under Section 20.02;
- Continuous sexual abuse of a young child or disabled individual under Section 21.02;
- Bestiality under Section 21.09;
- Improper relationship between educator and student under Section 21.12;
- Voyeurism under Section 21.17;
- Indecency with a child under Section 21.11;
- Invasive visual recording under Section 21.15;
- Disclosure or promotion of intimate visual material under Section 21.16;
- Sexual coercion under Section 21.18;
- Injury to a child, an elderly person, or a disabled person of any age under Section 22.04;
- Abandoning or endangering a child under Section 22.041;
- Deadly conduct under Section 22.05;
- Terroristic threat under Section 22.07;
- Aiding a person to commit suicide under Section 22.08; and
- Tampering with a consumer product under Section 22.09.

Trauma Informed Practice is defined as a strength-based framework grounded in an understanding of and responsiveness to the impact of trauma.

Under the influence means lacking the normal use of mental or physical faculties. Impairment of a person's physical or mental faculties may be evidenced by a pattern of abnormal or erratic behavior, the presence of physical symptoms of drug or alcohol use, or by admission. A student

"under the influence" need not be legally intoxicated to trigger disciplinary action.

Use means voluntarily ingesting or introducing into one's body, a prohibited substance, by any means.

Zip gun is defined by Penal Code 46.01 as a device or combination of devices that was not originally a firearm and is adapted to expel a projectile through a smooth-bore or rifled-bore barrel by using the energy generated by an explosion or burning substance.

For: Fort Bend ISD Board of Trustees
Date: July 24, 2023
Action: Consideration and Approval - Second Amended and Restated Order Authorizing and Establishing the Commercial Paper Program
References: Board Policy CCA (Legal)
District Goal 5
Department: Business and Finance

Recommendation

Consideration and approval of a second amended and restated order authorizing, establishing, approving, confirming, and ratifying of the Fort Bend Independent School District Unlimited Tax Commercial Paper Program ("Order") and the issuance of commercial paper notes from time to time thereunder.

Summary

In October 2016, the Board approved an order authorizing and establishing the Commercial Paper Program (the "Program") using the remaining voted authorization from the 2007 Bond Election and the voted authorization from the $484 million 2014 Bond Election. In January 2019, the Board adopted a first amended and restated order that raised the maximum principal amount of the Program from $100 million to $150 million and added the voted authorization from the $992.6 million 2018 Bond Election. Under the Program, the District may issue short-term commercial paper obligations in an aggregate principal amount not to exceed $150 million outstanding at any one time to provide interim financing to pay bond project costs for eligible projects for the District. Since inception, the program has saved taxpayers $23.9 million through the avoidance of interest costs

Administration is seeking approval of amendments to the Program that would authorize and facilitate the use of the voted authority from the May 2023 Bond Election in connection with the Program as outlined below to facilitate the execution of the 2023 Bond Program. An increase in the $150 million capacity of the Program is not being requested at this time.

Background on the Program

The Program authorizes the District to have commercial paper outstanding from time to time in an amount not to exceed $150 million. The Program has two components: (i) Series A, which is a traditional commercial paper program supported by a Revolving Credit Agreement with JPMorgan Chase Bank, National Association, and (ii) Series B, which is a direct purchase note program supported by a note purchase agreement with JPMorgan Chase Bank, National Association. The District may issue commercial paper under Series A and/or Series B, but the total amount of commercial paper outstanding under the two components from time to time cannot exceed $150 million.

JPMorgan's commitment under the Revolving Credit Agreement supports up to $150 million in commercial paper under Series A and would only be drawn upon if the commercial paper issued by the District under Series A had to be repaid at maturity and the District could not issue additional commercial paper notes or permanent financing in order to refinance the maturing notes due to severe market conditions or otherwise pay the commercial paper notes. In addition to the Revolving Credit Agreement, the operation of the Series A Program is facilitated through the use of a Dealer and an Issuing and Paying Agent. Citigroup Global Markets Inc. serves as the Dealer under the Program and Zions Bancorporation, National Association, Amegy Bank Division, serves as the Issuing and Paying Agent under the Program.

The Series B Program is a direct purchase commercial paper note program. The Note Purchase Agreement provides for the direct placement of commercial paper with JPMorgan Chase Bank, National Association from time to time in an amount not to exceed $150 million.

Since the establishment of the Program, the District has amended and extended the Revolving Credit Agreement and the Note Purchase Agreement from time to time to facilitate the continued operation of the Program and to comply with regulatory changes, such as the recent phase out of LIBOR.

There are a number of controls in place in connection with the operation of the Program. They include the following:

1. The Board in its authorization of the Program has limited the amount of commercial paper that can be outstanding at any time to an amount not to exceed $150,000,000.
2. The amount of commercial paper that can be issued under the Program is limited by the amount of bonds that have been authorized by the school district residents at an election called by the school board and included in the Order as voted authorization that may be used in connection with the Program. Once the authorized bonds have been fully issued, the program is no longer available to the District for additional borrowing. Once commercial paper notes are issued, the District may decide to leave the commercial paper notes outstanding for a period of time, assuming that the interest rates continue to be attractive, or convert the notes to a variable rate or long-term fixed rate bond issue. If there is no longer any voted authority to issue additional bonds or notes and the commercial paper notes have been paid, staff will recommend that the Revolving Credit Agreement and the Note Purchase Agreement be terminated and that the Program be allowed to go dormant.
2. The District has a policy that limits the amount of variable rate debt that may be outstanding. Currently, the policy limits the amount of variable rate debt to 25% of the total debt portfolio.
4. The Board can reevaluate the Program when the administration requests that the Board authorize the conversion of the commercial paper notes to a variable or fixed rate. The expectation is that the commercial paper notes will be converted every 9 to 12 months based on the construction draw schedules.

Proposed Action

Since voters approved $1.256 billion in connection with the May 2023 Bond Election, Administration is seeking approval for the following changes to the Commercial Paper Program:

- The addition of the voted authority from the 2023 Bond Election to the Program. This will allow the District to issue commercial paper utilizing authority from the 2014, 2018 and 2023 Bond Elections in connection with the District's Bond programs;
- Authorize the amendment and restatement of the Revolving Credit Agreement and Note Purchase Agreement with JPMorgan to recognize the addition of the 2023 voted authority and to incorporate the amendments made to those agreements since the inception of the Program to facilitate the efficient operation of the Program. There would be no change in the calculation of fees in the Revolving Credit Agreement and the Note Purchase Agreement; and
- Approve the update of the Offering Memorandum used in connection with the marketing of the Series A commercial paper notes; and
- Authorize the administration to provide appropriate parties with notice of the changes being made.

In addition to the updates, the Order will confirm the prior establishment of the Program and the authority of the President and Secretary of the Board of Trustees and identified members of the District's Administration to act on behalf of the District in the sale and delivery of commercial paper under the Program, within the limitations and procedures specified in the Order and in accordance with applicable law.

The District's bond counsel, Bracewell LLP, and the District's financial advisor, Hilltop Securities, have reviewed the Order and the legal agreements pertaining to the Commercial Paper Program.

Submitted by:

Christie Whitbeck
Superintendent of Schools

Bryan Guinn
Chief Financial Officer

AMENDED AND RESTATED NOTE PURCHASE AGREEMENT

dated as of July 24, 2023
(but effective as of August 17, 2023)

between

FORT BEND INDEPENDENT SCHOOL DISTRICT

and

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION

RELATING TO,.

FORT BEND INDEPENDENT SCHOOL DISTRICT
UNLIMITED TAX COMMERCIAL PAPER NOTES, SERIES B

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Exhibit B — Closing Representations as Required By Section 3.01(c) of the Credit Agreement
Exhibit C — Form of Supplemental Opinion of Bond Counsel
Exhibit D — Form of Expiration Date Extension Request
Exhibit E — Form of No Default Certificate
Exhibit F — Form of Loan Note

AMENDED AND RESTATED NOTE PURCHASE AGREEMENT

This Amended and Restated Note Purchase Agreement (as amended, supplemented or otherwise modified from time to time, this "*Agreement*") is dated as of July 24, 2023 (but is effective as of August 17, 2023 the *"Effective Date"*) and is between the FORT BEND INDEPENDENT SCHOOL DISTRICT (the "*District*") and JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (*"Bank"*).

RECITALS:

Pursuant to authority granted by the laws of the State of Texas, particularly the Act (as defined below), the District is empowered to issue obligations for the purpose of providing funds to pay Project Costs (as defined in the Act) of Eligible Projects (as defined in the Act);

Pursuant to the Act and the Order (as defined below) the District proposes to issue from time to time its notes under its Commercial Paper Program, in one or more series and in an aggregate amount at any one time outstanding not to exceed $150,000,000, the proceeds of which will be used to finance and refinance Eligible Projects under the Act;

The District and the Bank have previously entered into a Note Purchase Agreement dated as of October 17, 2016 (but is effective as of November 3, 2016), as amended by the First Amendment to Note Purchase Agreement, dated as of the January 22, 2019 (but effective as of February 20, 2019), the Second Amendment to Note Purchase Agreement, dated as of February 4, 2021, and the Third Amendment to the Note Purchase Agreement dated as of October 16, 2022 (collectively, the "Prior Credit Agreement");

The District and the Bank now wish to amend and restate the Prior Credit Agreement to consolidate the amendments made part of the Prior Credit Agreement and to recognize the additional voted authority from the District's election held on May 6, 2023;

The District has requested the Bank to support the District's notes issued from time to time under its Commercial Paper Program, in response to which the Bank has agreed (i) to directly purchase when and as issued Commercial Paper Notes issued as "Series B" (the "*Series B Commercial Paper Notes*" or the *"Notes"*) pursuant to the terms of this Agreement entered into by the parties hereto and (ii) by making available a revolving line of credit (the *"Series A Commercial Paper Revolving Credit Agreement"*) initially aggregating $161,095,891 (of an amount supporting the Commercial Paper Notes issued as "Series A" (the *"Series A Commercial Paper Notes*") in a principal amount up to of $150,000,000 and interest thereon at an interest rate of 10% per annum for a period of 270 days) entered into by the parties thereto concurrently herewith; provided, however, that the combined support for both Series A Notes and Series B Notes shall not exceed $150,000,000 in principal amount of such Commercial Paper Notes, plus applicable support for interest thereon as described herein and in the aforementioned Series A Commercial Paper Revolving Credit Agreement;

The Bank is willing to purchase Series B Commercial Notes subject to the terms and conditions of this Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. In addition to other terms defined herein, unless the context shall indicate a contrary meaning or intent, the terms defined below, for all purposes of this Agreement or any agreement amendatory or supplemental hereto, shall be construed, are used and are intended to have the following meanings, to-wit:

"*Act*" shall mean collectively, Chapter 45, Texas Education Code, as amended, and Chapters 1207 and 1371, Texas Government Code, as amended.

"Adjusted Base Rate" means, for any day, a rate per annum equal to the highest of (a) the Federal Funds Rate plus 2.00% or (b) the Prime Rate plus 1.50%.

"Adjusted Term SOFR Rate" means, with respect to any Note for any Interest Period, an interest rate per annum equal to the sum of (i) the product of (A) the Applicable Factor multiplied by (B) the sum of (1) the Term SOFR Rate for such Interest Period, plus (2) 10 basis points, plus (ii) the Applicable Spread; provided, however, if the Adjusted Term SOFR Rate as so determined would be less than 0.00%, such rate shall be deemed to be 0.00% for the purposes of this Agreement.

"Affiliate" means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"*Agreement*" has the meaning set forth in the introductory paragraph hereof.

"Alternate Rate" has the meaning set forth in Section 2.19(c).

"Anti-Corruption Laws" means all laws, rules and regulations of any jurisdiction applicable to the District from time to time concerning or relating to bribery or corruption.

"Amortization Amount" shall have the meaning assigned to such term in Section 2.04.

"Amortization End Date" means the third anniversary of the Expiration Date or the Taxable Date, as applicable.

"Amortization Period" means the period from the Expiration Date or the Taxable Date, as applicable, to the Amortization End Date.

"Applicable Factor" means 80%.

"*Applicable Law*" shall mean all applicable provisions of all constitutions, statutes, rules, regulations, and orders of all governmental and non-governmental bodies, including, without limitation, the Act, all governmental approvals and all orders, judgments and decrees of all courts

and arbitrators of competent jurisdiction. Whenever the Applicable Law of a particular jurisdiction is referred to in this Agreement, such reference shall be deemed to include the Applicable Law of all political subdivisions of such jurisdiction.

"Applicable Spread" means initially 74 basis points (the "Initial Applicable Spread"), provided however, the Applicable Spread shall be increased by the number of basis points set forth in the chart below based on the Ratings as determined below:

Level	S&P Rating*	Fitch Rating*	Increase to Initial Applicable Margin/ Basis Points Per Annum
Level 1	AA or above	AA or above	+ 00 bps
Level 2	AA-	AA-	+ 20 bps
Level 3	A+	A+	+ 40 bps
Level 4	A	A	+ 60 bps
Level 5	A-	A-	+ 80 bps
Level 6	BBB+	BBB+	+ 100 bps
Level 7	BBB	BBB	+ 120 bps
Level 8	BBB-	BBB-	+ 140 bps

The Applicable Spread for any date shall be determined by reference to the Ratings in Schedule I above for such date. If the Ratings assigned by the Rating Agencies appear in more than one row (i.e., a split rating), the Applicable Spread will be based on the lowest of the two (2) ratings. If any Rating is withdrawn or suspended for credit related reasons, or due to the failure of the District to provide adequate information to the Rating Agencies, then the Applicable Spread shall automatically, without notice, increase by 100 basis points per annum over the Applicable Spread then in effect until such Rating is restored. In addition to the foregoing, upon the occurrence of any Event of Default, and for so long as said Event of Default has not been cured or waived by the Bank, the Applicable Spread shall automatically (without notice) increase by 100 basis points over the Applicable Spread then in effect until such Event of Default has been cured. Each change in the Applicable Spread resulting from a change in the Rating shall become effective on the date of the announcement or publication by the respective Rating Agency of a change in such rating or, in the absence of such announcement or publication, on the effective date of such changed Rating.

For purposes of this definition of Applicable Spread, "Ratings" shall mean the long-term credit rating assigned to the District's general obligation bonds (without regard to any bond insurance, the Permanent School Fund or other credit enhancement) by each of the Rating Agencies.

References to the Ratings above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, each of the Ratings from the Rating Agency in question referred to above

shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect.

"*Authorized Official*" shall have the meaning assigned to such term in the Order.

"*Available Commitment*" shall mean, and in no event shall it exceed $150,000,000, such initial amount adjusted from time to time as follows: (a) downward in an amount equal to the principal amount of Series B Commercial Paper Notes purchased and held by the Bank pursuant to the terms hereof and the principal amount of any Loan made to the District pursuant to the Series A Commercial Paper Revolving Credit Agreement; (b) downward by the amount of any reduction pursuant to Section 2.10 or 6.02 hereof; and (c) so long as this Agreement has not terminated, upward in an amount equal to the principal amount of any Series B Commercial Paper Notes repaid hereunder and the principal amount of any Loan that is repaid pursuant to the terms of the Series A Commercial Paper Revolving Credit Agreement; *provided*, that, after giving effect to any such adjustment the Available Commitment shall never exceed $150,000,000. Any adjustments pursuant to clause (a), (b) or (c) above shall occur simultaneously with the event requiring such adjustment.

"Available Tenor" means, as of any date of determination and with respect to the then current Benchmark, as applicable, any tenor for such Benchmark (or component thereof) or payment period for interest calculated with reference to such Benchmark (or component thereof), as applicable, that is or may be used for determining the length of an Interest Period for any term rate or otherwise, for determining any frequency of making payments of interest calculated pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of *"Interest Period"* pursuant to clause (c) of Section 2.19.

"*Bank*" has the meaning set forth in the introductory paragraph hereof.

"*Banking Arrangements*" means (a) the agreements of the Bank and the District set forth in this Agreement and the transactions described herein, including, without limitation, (i) any commitment to extend credit, to issue any credit or liquidity facility, to purchase any obligation of or for the benefit of the District, or to extend any other financial accommodation, (ii) any issuance, extension or maintenance of any of the foregoing, and (iii) any pledge, purchase or carrying of any obligation of or for the benefit of the District, and (b) any participation agreement or similar arrangement entered into in connection with the foregoing.

"Base Rate" means, for any day, a rate per annum equal to the highest of (a) the Federal Funds Rate plus 2.00%, (b) the Prime Rate plus 1.50% and (c) seven and one half percent (7.50%).

"Benchmark" means, initially, the Term SOFR Rate; provided that if a Benchmark Transition Event has occurred with respect to the Term SOFR Rate, then "Benchmark" means the Alternate Rate to the extent that such Alternate Rate has replaced such prior benchmark rate pursuant to clause (b) of Section 2.19.

"Benchmark Transition Event" means, with respect to any Benchmark, the occurrence of one or more of the following events with respect to the Term SOFR Rate:

(1) a public statement or publication of information by or on behalf of the CME Term SOFR Administrator (or any successor administrator of the Term SOFR Rate, or the published component used in the calculation thereof) announcing that such CME Term SOFR Administrator has ceased or will cease to provide the Term SOFR Rate (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Term SOFR Rate (or such component thereof);

(2) a public statement or publication of information by the Federal Reserve Board, the NYFRB, or, as applicable, the regulatory supervisor for the CME Term SOFR Administrator, an insolvency official with jurisdiction over the CME Term SOFR Administrator, a resolution authority with jurisdiction over the CME Term SOFR Administrator, or a court or an entity with similar insolvency or resolution authority over the CME Term SOFR Administrator, in each case, which states that CME Term SOFR Administrator (or any successor administrator of the Term SOFR Rate, or the published component used in the calculation thereof) has ceased or will cease to provide the Term SOFR Rate (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Term SOFR Rate (or such component thereof); or

(3) a public statement or publication of information by the Federal Reserve Board, the NYFRB, the CME Term SOFR Administrator, or the regulatory supervisor for the administrator for the CME Term SOFR Administrator (or any successor administrator of the Term SOFR Rate, or the published component used in the calculation thereof) announcing that the Term SOFR Rate (or such component thereof) is no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to the Term SOFR Rate if a public statement or publication of information set forth above has occurred with respect to each then-current available tenor of the Term SOFR Rate.

"*Board*" shall mean the Board of Trustees of the District.

"*Bond Counsel*" shall mean and any firm or firms selected by the District whose opinion concerning bond matters is nationally recognized.

"Breakage Expenses" shall have the meaning assigned to such term in Section 2.12.

"*Business Day*" shall mean any day other than (i) a Saturday, Sunday or other day on which commercial banks located in the states of New York, Texas and such other location in which the Bank is authorized or required by law or executive order to close or (ii) a day on which the New York Stock Exchange is closed.

"Calculation Agent" means JPMorgan Chase Bank, National Association, and if JPMorgan Chase Bank, National Association shall decline to act as Calculation Agent, such other Affiliate of the Bank designated by the Bank and, if no such Affiliate is designated, any other Person appointed by the District, with the consent of the Bank in its sole discretion, to serve as calculation agent for the Notes.

"Change in Law" means the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, statute, policy, interpretation, treaty, regulation, guideline or directive, (b) any change in any law, rule, statutes, policy, interpretation, treaty, regulation, guideline or directive or in the administration, promulgation, implementation, enforcement, interpretation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline, policy, interpretation, treaty, regulation, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding the foregoing, any request, law, statute, rule, policy, interpretation, treaty, regulation, guideline or directive in connection with any Risk-Based Capital Guidelines, the Dodd-Frank Wall Street Reform and Consumer Protection Act, promulgated by the Bank of International Settlements, or the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) or arising in the administration, promulgation, implementation, enforcement, interpretation or application thereof, shall be deemed to be a Change of Law regardless of the date enacted, adopted, issued, promulgated or implemented.

"CME Term SOFR Administrator" means CME Group Benchmark Administration Limited as administrator of the forward-looking term Secured Overnight Financing Rate (SOFR) (or a successor administrator).

"*Code*" shall mean the Internal Revenue Code of 1986, as amended, and when reference is made to a particular section thereof, the applicable Treasury Regulations from time to time promulgated or proposed thereunder.

"*Collateral*" shall mean the collateral described in Section 2.14 hereof.

"*Commercial Paper Notes*" has the meaning set forth in the Recitals hereof.

"*Commitment*" shall mean $150,000,000 of Series B Commercial Paper Notes.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"*Controlled Group*" means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with the District or any subsidiary, are treated as a single employer under Section 414 of the Code.

"Corresponding Tenor" with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

"*Debtor Relief Laws*" means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"*Default*" shall mean any condition or event that constitutes an Event of Default (as defined in Section 6.01 hereof) or that with the giving of notice or lapse of time or both would, unless cured or waived, become an Event of Default.

"Default Rate" means a per annum rate of interest equal to the sum of the Base Rate from time to time in effect plus 3.0% per annum; provided, that for any Note accruing interest at the Adjusted Term SOFR Rate at the time of the applicable Event of Default, the "Default Rate" shall mean the sum of 3.0% plus Adjusted Term SOFR Rate then in effect until the end of the Term SOFR Rate interest period applicable thereto and, thereafter, at a rate per annum equal to the sum of 3.0% plus the Base Rate from time to time in effect; provided further, however, that, subject to Section 2.6, in no event shall the Default Rate exceed the Highest Lawful Rate. For avoidance of doubt, if an Event of Default occurs while any Note is bearing interest at the Term Rate, the Default Rate for such Note shall be the Term Rate in effect at such time plus 3.0%.

"Determination of Taxability" means (a) any final, unappealable determination, decision, decree or advisement by the Commissioner of Internal Revenue, or any District Director of Internal Revenue or any court of competent jurisdiction to the effect that Notes Interest is Taxable, or (b) the delivery to the Bank or any Holder of an unqualified written opinion of nationally recognized bond counsel to the effect that Note Interest is Taxable. A Determination of Taxability also shall be deemed to have occurred on the first to occur of the following:

(i) the date when the District files any statement, supplemental statement, or other tax schedule, return or document, which discloses that Note Interest is Taxable;

(ii) the effective date of any federal legislation enacted or federal rule or regulation promulgated after the date of the Order which has the effect that Note Interest is Taxable confirmed by the delivery to the Bank or any Holder of an unqualified written opinion of nationally recognized bond counsel; or

(iii) if upon sale, lease or other deliberate action within the meaning of Treas. Reg. § 1.141 2(d), the failure to receive an unqualified opinion of a nationally recognized bond counsel to the effect that such action will not cause interest on the Notes to become includable in the gross income of the recipient.

"*District*" has the meaning set forth in the introductory paragraph hereof.

"Dollars," "dollars" or "$" refers to lawful money of the United States of America

"*Effective Date*" shall mean August 17, 2023, subject to the satisfaction or waiver by the Bank of the conditions precedent set forth in Section 3.01 hereof.

"*Eligible Projects*" shall mean the improvements the District is authorized to make as set forth in the Order.

"*Environmental Law*" means any and all statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment or the release of any materials into the environment.

"*ERISA*" means the Employee Retirement Income Security Act of 1974, as amended.

"*Event of Default*" shall mean any of the Events of Default described in Section 6.01 hereof.

"*Excess Interest Amount*" has the meaning set forth in Section 2.06 hereof.

"Expiration Date" means November 1, 2025.

"Federal Funds Rate means, for any day, the rate calculated by the NYFRB based on such day's federal funds transactions by depositary institutions, as determined in such manner as shall be set forth on the NYFRB's Website from time to time, and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate; provided that if the Federal Funds Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System of the United States of America.

"*Fee Agreement*" means that certain Amended and Restated Fee Agreement dated as of July 24, 2023, but effective as of the Effective Date, between the District and the Bank, as the same may be amended, supplemented or otherwise modified from time to time by written instrument executed by the District and the Bank. The Fee Agreement is the Fee Letter referenced in the Order.

"*Fiscal Year*" has the meaning set forth in the Order.

"Fitch" means Fitch, Inc., or any successor thereto.

"Floor" means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the Adjusted Term SOFR Rate. For the avoidance of doubt the initial Floor for the Adjusted Term SOFR Rate shall be 0.00%.

"*Governmental Authority*" shall mean the United States or any state or political subdivision thereof or any foreign nation or political subdivision thereof, any entity, body or authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government in the United States (or any state, municipality or political subdivision thereof) or any foreign nation or political subdivision thereof, including, without limitation, any central bank or other governmental or regulatory authority exercising control over the Bank or other financial institutions, and any corporation or other entity or authority owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing.

"*Guarantees*" means, for any Person, all guarantees, endorsements (other than for collection or deposit in the ordinary course of business) and other contingent obligations of such Person to purchase, to provide funds for payment, to supply funds to invest in any other Person or otherwise to assure a creditor of another Person against loss.

"*Highest Lawful Rate*" shall mean the maximum net effective interest rate permitted by law to be paid on obligations issued or incurred by the District in the exercise of its borrowing powers (as currently prescribed by Chapter 1204, Texas Government Code, as amended).

"*Holder*" shall mean the Bank and any other holder of the Notes or the Loan Note or any entity to which the Bank or any such other holder sells a participation in the Notes or the Loan Note (whether or not the District was given notice of such sale and whether or not the Holder has an interest in the Notes or the Loan Note at the time amounts are payable to such Holder thereunder and under this Agreement).

"*Indebtedness*" of any Person means at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business (including, without limitation, accounts payable to construction contractors and other professionals for services rendered), (iv) all obligations of such Person as lessee under capital leases, (v) all debt of others secured by a Lien on any asset of such Person, whether or not such debt is assumed by such Person, (vi) all obligations of such Person under any Swap Contract, and (vii) all Guarantees of debt of a type described in any of clauses (i) through (vi) hereof.

"Initial Interest Rate Period" means the period from and including the Effective Date to but excluding the Expiration Date.

"Interest Payment Date" shall mean the first Business Day of each month.

"Interest Period" means with respect to any Note, the period commencing on the date of purchase of such Note and ending on the numerically corresponding day in the calendar month that is one, three, or six months thereafter (in each case, subject to the availability for the Benchmark applicable to the Note or Commitment), as requested by the District in a Request for Purchase; provided, that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period, and (iii) no tenor that has been removed from this definition pursuant to Section 2.19(c) shall be available for specification in such Request for Purchase.

"*Issuing and Paying Agent*" or "*Paying Agent*" shall mean the Bank, acting in such capacity for the Notes under the Order.

"Loan Note" shall mean the promissory note evidencing the Term Loan made by the Bank to the District, in substantially the form of Exhibit F hereto.

"*Material Adverse Effect*" means, as to the District, any material adverse change in or effect on (i) the business, operations, assets, liabilities, condition (financial or otherwise) or results of

operations of the District, (ii) the ability of the District to consummate the transactions contemplated by this Agreement or any of the Related Documents to which the District is or will be a party, or (iii) the ability of District to perform any of its obligations under this Agreement or any of the Related Documents to which the District is or will be a party.

"Maturity Date" means the date a Note matures under the Order and as described in the Note, provided, the Maturity Date shall not be in excess of 270 days from the dated date of any particular Note.

"*Moody's*" shall mean Moody's Investors Service, Inc. or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the District.

"Note Interest is Taxable" means that interest paid or to be paid on Notes originally issued as tax exempt Notes is or will be includable for federal income tax purposes in the gross income of the Bank or any other Owner thereof, but excluding the inclusion of interest on such Notes as an item of tax preference for purposes of the calculation of an alternative minimum tax imposed on the Bank or such other Owner.

"Note Payment Account" has the meaning set forth in the Order

"*Note(s)*" shall mean the Series B Commercial Paper Notes.

"NYFRB" means the Federal Reserve Bank of New York.

"NYFRB's Website" means the website of the NYFRB at http://www.newyorkfed.org, or any successor source.

"Objection Date" has the meaning assigned to it in Section 2.19(c) of this Agreement.

"*Order*" shall mean the Second Amended and Restated Order adopted by the Board on July 24, 2023, authorizing the District, among other things, to execute, deliver, and perform this Agreement and the Fee Agreement, the Loan Note and to execute and deliver from time to time the Notes.

"*Outstanding*" when used with reference to Series B Commercial Paper Notes, as of the date of determination, shall mean all Series B Commercial Paper Notes theretofore delivered, except:

(1) Series B Commercial Paper Notes theretofore cancelled and delivered to the District for cancellation;

(2) Series B Commercial Paper Notes upon transfer of or in exchange for and in lieu of which other Series B Commercial Paper Notes have been delivered pursuant to the Order; and

(3) Series B Commercial Paper Notes under which obligations of the District have been released, discharged or extinguished in accordance with the terms thereof.

"*Patriot Act"* means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107-56 (signed into law October 26, 2001).

"*Person*" shall mean an individual, a corporation, a partnership, a limited liability company, an association, a trust, or any other entity or organization, including a governmental or political subdivision or any agency or instrumentality thereof.

"*Plan*" means, with respect to the District and each subsidiary at any time, an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and either (i) is maintained by a member of the Controlled Group for employees of a member of the Controlled Group of which the District or such subsidiary is a part, (ii) is maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the Controlled Group of which the District or such subsidiary is a part is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions.

"*Prime Rate*" means the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

"*Project Costs*" has the meaning set forth in the Act.

"Purchase Period" shall mean the period commencing on the Effective Date and continuing to the Expiration Date.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

"QFC Credit Support" has the meaning assigned to it in Section 7.26.

"Qualified Institutional Buyer" shall have the meaning assigned to such term in Rule 144A promulgated under the Securities Act.

"*Rating Agencies*" shall mean Moody's, S&P and Fitch any additional rating agency designated by the District with the written consent of the Bank.

"*Reduction Fee*" has the meaning set forth in the Fee Agreement.

"Reference Time" with respect to any setting of the then-current Benchmark means (1) if such Benchmark is the Term SOFR Rate, 5:00 a.m. (Chicago time) on the day that is two Business Days preceding the date of such setting and (2) if such Benchmark is not the Term SOFR Rate, the time determined by the Calculation Agent in its reasonable discretion.

"*Regulation U*" shall mean Regulation U of the Board of Governors of the Federal Reserve System (or any successor), as the same may be amended from time to time.

"*Related Documents*" shall mean the Order, this Agreement, the Fee Agreement, the Loan Note and the Notes.

"Relevant Governmental Body" means, the Federal Reserve Board and/or the NYFRB, the CME Term SOFR Administrator, as applicable, or a committee officially endorsed or convened by the Federal Reserve Board and/or the NYFRB or, in each case, any successor thereto.

"Request for Purchase" means a written notice in the form of Exhibit A hereto made by the District to the Bank requesting that the Bank to purchase Notes hereunder.

"Risk-Based Capital Guidelines" means (i) the risk-based capital guidelines in effect in the United States on the Effective Date, including transition rules, and (ii) the corresponding capital regulations promulgated by regulatory authorities outside the United States including transition rules, and any amendments to such regulations adopted prior to the Effective Date.

"*S&P*" shall mean Standard & Poor's Ratings Group, a Standard and Poor's Financial Services LLC business, or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the District.

"Sanctioned Country" means, at any time, a country, region or territory which is itself the subject or target of any Sanctions (at the time of this Agreement, the so - called Donetsk People's Republic, the so- called Luhansk People's Republic, the Crimea Region of Ukraine, Cuba, Iran, North Korea and Syria).

"Sanctioned Person" means, at any time, any Person subject or target of any Sanctions, including (a) any Person listed in any Sanctions-related list of designated Persons maintained by the U.S. government, including by Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, U.S. Department of Commerce, (b) any Person operating, organized or resident in a Sanctioned Country, (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b) (including, without limitation for purposes of defining a Sanctioned Person, as ownership and control may be defined and/or established in and/or by any applicable laws, rules, regulations, or orders).

"Sanctions" shall mean economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State.

"Series A Commercial Paper Notes" means the District's Commercial Paper Notes, Series A.

"Series A Commercial Paper Revolving Credit Agreement" means the revolving credit agreement between the District and the Bank as to the Series A Commercial Paper Notes.

"SOFR" means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

"SOFR Administrator" means the NYFRB (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website" means the NYFRB's website, currently at http://www.newyorkfed.org, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"Supported QFC" has the meaning given such term in Section 7.26.

"*Suspension Event*" means the occurrence of an event which causes the suspension of the obligation to purchase Notes hereunder pursuant to Section 6.02(d) hereof.

"*Swap Contract*" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "*Master Agreement*"), including any such obligations or liabilities under any Master Agreement.

"Taxable Date" means the date on which interest on Notes issued as tax exempt is first includable in gross income of an Holder (including, without limitation, any previous Holder) thereof as a result of a Determination of Taxability.

"Taxable Period" shall have the meaning assigned to such term in Section 2.07(a).

"Taxable Rate" means an interest rate per annum equal to the product of the interest rate on the Note then in effect multiplied by 1.54; but, in no event to exceed the Highest Lawful Rate.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term Benchmark" when used in reference to any Note, refers to such Note when bearing interest at a rate determined by reference to the Adjusted Term SOFR Rate.

"Term Loan" has the meaning given to such term in Section 2.04 hereof.

"Term Rate" means, for each date of determination with respect to amounts owing during any Amortization Period, the rate per annum specified below with respect to each period, such period to be computed from the Expiration Date (or the Taxable Date, if applicable and subject to the Taxable Rate):

(i) Day 1 through and including day 90, the Base Rate;

(ii) Day 91 and thereafter the Base Rate, plus 1.00%.

The Term Rate is the "Loan Note Rate" referenced in the Order.

"*Termination Fee*" has the meaning set forth in the Fee Agreement.

"Term SOFR Determination Day" has the meaning assigned to it under the definition of Term SOFR Reference Rate.

"Term SOFR Rate" means, with respect to any Note for any Comparable Tenor to the applicable Interest Period, the Term SOFR Reference Rate at approximately 5:00 a.m., Chicago time, two U.S. Government Securities Business Days prior to the commencement of such Comparable Tenor to the applicable Interest Period, as such rate is published by the CME Term SOFR Administrator.

"Term SOFR Reference Rate" means, for any day and time (such day, the "Term SOFR Determination Day"), with respect to any Note for any Comparable Tenor to the applicable Interest Period, the rate per annum determined by the Bank as the forward-looking term rate based on SOFR; provided that if the Term SOFR Reference Rate as so determined would be less than 0.00%, such rate shall be deemed to be 0.00% for the purposes of this Agreement. If by 5:00 pm (New York City time) on the fifth (5th) U.S. Government Securities Business Day immediately following any Term SOFR Determination Day, the "Term SOFR Reference Rate" for the applicable tenor has not been published by the CME Term SOFR Administrator and a Benchmark Transition Event with respect to the Term SOFR Rate has not occurred, then the Term SOFR Reference Rate for such Term SOFR Determination Day will be the Term SOFR Reference Rate as published in respect of the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate was published by the CME Term SOFR Administrator, so long as such first preceding Business Day is not more than five (5) Business Days prior to such Term SOFR Determination Day.

"U.S. Government Securities Business Day" means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

Section 1.02. Incorporation of Certain Definitions by Reference. Any terms with an initial capital letter which are used herein and which are not otherwise defined herein shall have the meaning assigned to them in the Order as in effect on the Effective Date unless the context shall indicate a contrary meaning.

Section 1.03. Accounting Terms. All accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared in accordance with generally accepted accounting principles applied on a basis consistent (except for changes concurred in by the District's independent public accountants) with the most recent financial statements of the District delivered pursuant to Section 5.01.

Section 1.04. Interpretations. References to a "general obligation" of the District means those District obligations secured by and payable from, in whole or in part, the District's levy and collection of a debt service tax, without limit as to rate or amount, on all taxable property within its boundaries. For purposes of clarity, the term general obligation shall not encompass any obligations payable from the District's maintenance and operations tax. The table of contents and article and section headings of this Agreement are included herein for convenience of reference purposes only and shall not constitute a part of this Agreement or affect its interpretation in any respect. Except where the context otherwise requires, words imparting the singular number shall include the plural number and vice versa. References to any constitutional, statutory or regulatory provision means such provision as it exists on the Effective Date and any future amendments thereto or successor provisions thereof. All references to time herein shall refer to local time in New York, New York.

Section 1.05. Interest Rates; Benchmark Notification.

The interest rate on a Note may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event, Section 2.19(b) provides a mechanism for determining an alternative rate of interest. The Calculation Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission, performance or any other matter related to any interest rate used in this Agreement, or with respect to any alternative or success or rate thereto, or replacement rate thereof, including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the existing interest rate being replaced or have the same volume or liquidity as did any existing interest rate prior to its discontinuance or unavailability. The Calculation Agent affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate used in this Agreement or any alternative, successor or alternative rate (including any Alternate Rate) and/or any relevant adjustments thereto, in each case, in a manner adverse to the District. The Calculation Agent may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referenced in the definition thereof, in each case pursuant to the terms of this Agreement, and absent gross negligence or willful misconduct, shall have no liability to the District, or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

ARTICLE II

COMMITMENT TO PURCHASE NOTES

Section 2.01. Commitment to Purchase Commercial Paper Notes.

(a) The District proposes to sell to the Notes in an amount not to exceed the Available Commitment. Such Notes will be issued pursuant to the Act, Elections held in the District on November 4, 2014, November 6, 2018, and May 6, 2023 and the Order. The Notes are being purchased for the account of the Bank as evidence of a loan to the District. The Notes to be purchased shall be (i) in minimum denominations of $1,000,000 and integral multiples of $100,000 in excess thereof, (ii) registered in the name of the Bank, (iii) purchased pursuant to a written notice from the District to the Bank in the form of Exhibit A (the "*Request for Purchase*"), (iv) in physical form (and not registered through a securities depository); and (v) Notes shall be dated the date of delivery thereof, mature and be payable as provided herein and in the Order and the Notes (but not in excess of 270 days from their dated date), subject to the right of prior prepayment as provided in the Order and herein (if any), and shall bear interest and shall have such other terms and provisions as provided herein, in the Order and in the Notes. Notes repaid may be reborrowed again prior to the Expiration Date and new Notes may be delivered in exchange for maturing Notes prior to the Expiration Date.

(b) The Bank agrees to purchase the Notes from the District, at the price of par during the period from the date hereof to the Expiration Date, or such earlier date on which the Available Commitment is terminated as provided herein, in accordance with the provisions of the Order and subject to satisfaction of the terms and conditions of this Agreement. Upon satisfaction of the conditions set forth in Section 3.01 of this Agreement and in the Order the Notes will be purchased in immediately available funds by the Bank in accordance with the Order; provided however that the District may deliver and the Bank shall accept while the Available Commitment is still in effect replacement Notes to refund maturing Notes prior to the Expiration Date. To request purchase of the Notes the District shall submit a Request for Purchase, properly completed, to the Bank, delivered by 3:00 p.m. at least two (2) Business Days prior to the date on which the requested purchase is to be made. If such a Request for Purchase is received by the Bank by such time on such a Business Day and all conditions to such purchase set forth in this Agreement (including those specified in this Section 2.01 and Section 3.01 and no event under 6.02(d) having then occurred and being in existence) and the Order are satisfied, the Bank will purchase such Notes (or accept in exchange for maturing Notes without the requirement for cash exchange) on the date specified in such Request for Purchase. The obligation of the Bank to purchase the Notes is subject to satisfaction of the following conditions:

(i) No Event of Default or Suspension Event shall have occurred and be continuing;

(ii) Receipt by the Bank of a Request for Purchase as described in this Section 2.01;

(iii) The amount of the requested purchase of Notes shall not exceed the Available Commitment;

(iv) The Request for Purchase shall be made on or prior to the Expiration Date;

(v) All representations and warranties of the District in this Agreement shall be true and correct in all material effect and shall be deemed made on the date of the Request for Purchase; and

(vi) In the event of a request to purchase Notes in exchange for maturing Notes, the Request for Purchase shall be at least equal the principal amount of maturing Notes to be exchanged.

Section 2.02. Private Placement. The District intends to sell Notes to the Bank pursuant to this Agreement in the form of a private placement in an amount up to the Available Commitment.

Section 2.03. Payment of Notes. The obligations of the District under the Notes, the Loan Note and this Agreement constitute the general obligations of the District. The District hereby agrees to make prompt and full payment of all amounts due and owing to the Bank under this Agreement, the Notes and the other Related Documents and to pay all amounts due and owing to the Bank, with interest thereon at the rate or rates provided in this Agreement, the Notes or such other Related Documents. The District agrees to pay to the Bank the following:

(i) Interest on the outstanding principal amount of the Notes from time to time, at the following rates during the following periods:

(A) Subject to adjustment from time to time as set forth in Sections 2.4, 2.5, 2.6, 2.7 and 2.19 hereof, a rate per annum equal to the Adjusted Term SOFR Rate for the applicable Interest Period during the Initial Interest Rate Period;

(B) on each Interest Payment Date during the Amortization Period (the "Term Loan"), interest at the Term Rate;

(C) as provided in Section 2.05, interest at the Default Rate; and

(D) as provided in Section 2.07, interest at the Taxable Rate.

Except as otherwise set forth herein, accrued but unpaid interest on each Note shall be due and payable on each Interest Payment Date and on the applicable Maturity Date. The Bank shall promptly notify the District of the interest rate applicable to any Notes upon determination of such interest rate; provided, however, that the failure by the Bank to provide notice of the applicable interest rate shall not relieve the District of its obligation to make payment of amounts as and when due hereunder. Each determination by the Bank of an interest rate shall be conclusive and binding for all purposes, absent manifest error.

(ii) The outstanding principal amount of the Notes on the earlier of the Maturity Date and the Expiration Date; provided, however, prior to the Expiration Date, in lieu of repayment of maturing Notes on the Maturity Date, the District may deliver to the Bank replacement refunding Notes of the same principal as the maturing Notes to be refunded.

No Notes shall have Maturity Date beyond the Expiration Date. Notes maturing on the Expiration Date and not paid on such date shall be converted to a Term Loan under Section 2.04 subject to the requirements of Section 2.04.

Section 2.04. Amortization of Notes. (a) Notwithstanding Section 2.03 above, in the event the District does not pay to the Bank the maturing principal amount of the Outstanding Notes on the Expiration Date, and provided that (i) no Event of Default, other than the failure to pay the maturing principal amount of the Outstanding Notes on the Expiration Date, or any event which with the giving of notice or the passage of time or both would constitute an Event of Default, shall have occurred and be continuing and (ii) the representations and warranties set forth herein shall be deemed made and are true and correct on the Expiration Date (except with respect to the failure to pay the maturing principal amount of the Outstanding Notes on the Expiration Date), then the District shall instead pay to the Bank the outstanding principal amount of the Notes as of such date (the "Amortization Amount") in installments payable on each February 1 and August 1, commencing on the February 1 that occurs immediately succeeding the first day of the Amortization Period so that the Amortization Amount is repaid in approximately equal semiannual principal payments by the end of the Amortization Period (the "Term Loan"). The obligations of the District to the Bank shall be evidenced by the Loan Note. In the event a Term Loan is made as of the Expiration Date, the Outstanding Notes shall be cancelled and exchanged for the Loan Note. Any Amortization Amount remaining unpaid on the Amortization End Date shall then be repaid in full. The District may prepay, or cause to be prepaid, some or all of the Amortization Amount on any Business Day upon one Business Day's notice to the Bank, such prepayment to be accompanied by interest accrued thereon at the Term Rate to the date of prepayment; and

(b) During the Amortization Period, interest on the Amortization Amount shall accrue at the Term Rate and shall be payable in arrears on each Interest Payment Date.

Section 2.05. Default Rate. The District agrees to pay, or cause to be paid to the Bank, upon demand, interest on any and all amounts due and owing by the District under this Agreement, the Notes or the other Related Documents from and after the earlier of (i) the date amounts owed hereunder are due and not paid and (ii) the occurrence and continuance of an Event of Default, but only for so long as such amounts due remain unpaid or such Event of Default continues, at the Default Rate. The obligations of the District under this Section shall survive the termination of this Agreement and the payment in full of the Notes and the Loan Note.

Section 2.06. Excess Interest. (a) Notwithstanding anything contained herein or in the Notes or the Loan Note to the contrary, to the extent permitted by law, (i) if at any time the interest rate due on the Notes or the Loan Note exceeds the Highest Lawful Rate, then (x) interest at the Highest Lawful Rate shall be due and payable and (y) interest at the rate equal to the difference between (A) the applicable rate and without regard to the limitation of this Section 2.06(a) and (B) the Highest Lawful Rate (the "*Excess Interest Amount*") shall be deferred until such date as the applicable rate ceases to exceed the Highest Lawful Rate, at which time the District shall pay to the Bank, with respect to amounts then payable to the Bank that are required to accrue interest hereunder, such portion of the deferred Excess Interest Amount as will cause the rate of interest then paid to the Bank to equal the Highest Lawful

Rate, which payments of deferred Excess Interest Amount shall continue to apply to such unpaid amounts hereunder and under the Order, to the greatest extent permitted by law, until the Excess Interest Amount is fully paid to the Bank. Upon the termination of this Agreement or the Amortization Period, as applicable, to the extent permitted by applicable law, in consideration for the limitation of the rate of interest otherwise payable hereunder, the District shall pay to the Bank a fee equal to the unpaid portion of the Excess Interest Amount; provided, that such fee shall not cause the net effective interest rate on the Notes to exceed the maximum net effective interest rate under Section 1204.005 of Texas Government Code.

(b) Notwithstanding anything contained herein, in the Notes, the Loan Note or in the Order to the contrary, the Excess Interest Amount due hereunder is payable by the District to the Bank from District's ad valorem debt service tax revenues on hand and lawfully available for such purpose, but to the extent the District determines such funds are not available at that time, such amounts shall not be required to be paid by the District until February 1 of the calendar year immediately following the date that the District next adopts an order levying ad valorem taxes on property subject to taxation by the District and such Excess Interest shall not accrue interest pending payment.

(c) The obligations of the District under this Section shall survive the termination of this Agreement and the payment in full of the Notes and the Loan Note.

Section 2.07. Taxability (a) In the event a Taxable Date occurs, the Notes or the Loan Note shall bear interest at the Taxable Rate on and after the Taxable Date, payable on each Interest Payment Date, and in addition to (but not in duplication of) the amounts required to be paid pursuant to the Related Documents, the District hereby agrees to pay to the Bank, on demand therefor (A) an amount equal to the difference between (1) the amount of interest paid to the Bank on the Notes or the Loan Note during the period in which interest on the Notes or the Bank is includable in the gross income of the Bank beginning on the Taxable Date (the "*Taxable Period*") and (2) the amount of interest that would have been paid to the Bank during such Taxable Period had the Notes borne the Taxable Rate, and (B) an amount equal to any interest, penalties or charges owed by the Bank as a result of interest on the Notes or the Loan Note becoming includable in the gross income of the Bank, together with any and all reasonable attorneys' fees, court costs, or other out of pocket costs incurred by the Bank in connection therewith. The Bank shall present to the District an invoice as to the amounts in clause (a)(B) of this section along with a commercially reasonable explanation of the amounts due.

(b) Subject to the provisions of subsection (c) below, the Bank shall afford the District the opportunity, at the District's sole cost and expense, to contest (i) the validity of any amendment to the Code which causes the interest on the Notes or the Loan Note to be includable in the gross income of the Bank or (ii) any challenge to the validity of the tax exemption with respect to the interest on the Notes or the Loan Note, including the right to direct the necessary litigation contesting such challenge (including, but not limited to administrative audit appeals).

(c) As a condition precedent to the exercise by the District of its right to contest set forth in subsection (b) above, the District shall reimburse the Bank, within forty-five

(45) days after demand therefor accompanied by an invoice and a commercially reasonable explanation of the amounts due, for (i) any and all expenses (including attorneys' fees for services that may be required or commercially reasonable under the circumstances, as determined by the Bank in its sole discretion) that may be incurred by the Bank as a result of any such contest, and (ii) any and all penalties or other charges payable by the Bank for failure to include such interest in its gross income.

(d) Notes bearing interest at the Taxable Rate shall be subject to amortization as provided in Section 2.04, at the option of the District, and bear interest at the Term Rate as modified by the Taxable Rate. Upon a Determination of Taxability as related to the Loan Note, the Loan Note shall bear interest at the Term Rate as modified by the Taxable Rate.

(e) To the extent the Bank has received any payments under this Section 2.07(a)(B), if the Bank shall receive or be entitled to a refund, repayment or credit of interest, penalty, or charges on which such payment was based, the Bank shall pay an amount equal to such refund, payment or credit to the District in an amount up to the total amount paid by the District to the Bank.

Section 2.08. Calculation of Interest. All computations of interest while the Notes bear interest at the Adjusted Term SOFR Rate shall be made on a 360-day year basis and actual days elapsed. While the Notes bear interest at the Adjusted Base Rate, Alternate Rate, Base Rate or Term Rate, interest on such Notes shall be calculated on a 365-day year basis (or 366 days in a leap year) and actual days elapsed. In addition, any calculation made pursuant to this Section 2.08 hereof that would cause the interest paid, payable, or accruing on the indebtedness of the District under this Agreement, the Note or the Loan Note to exceed the Highest Lawful Rate shall be adjusted so as to reduce the interest paid, payable, and accruing hereunder to such Highest Lawful Rate, as more fully set out in Section 2.06 hereof. All sums paid or agreed to be paid to the Bank for the use, forbearance, or detention of the indebtedness evidenced by the Notes or the Loan Note shall, to the extent permitted by law (including, to the extent applicable, Chapter 1204, as amended, Texas Government Code), be amortized, prorated, allocated, and spread through the full term of the Notes or the Loan Note.

Section 2.09. Fees. The District hereby agrees to pay to the Bank all amounts set forth in the Fee Agreement on the terms, in the amounts and in the manner set forth herein and therein and the terms of the Fee Agreement are hereby incorporated herein by reference as if fully set forth herein. Any reference herein to fees and/or any other amounts or obligations payable hereunder or under this Agreement shall include, without limitation, all fees and other amounts or obligations payable pursuant to the Fee Agreement, and any reference to this Agreement shall be deemed to include a reference to the Fee Agreement. All computations of fees and other amounts due under the Fee Agreement shall be made by the Bank on the basis of a year of 360 days and the actual number of days elapsed.

Section 2.10. Termination or Reduction of Commitment. (a) During the Purchase Period, the District may, upon at least thirty (30) Business Days notice to the Bank reduce from time to time the Available Commitment by $1,000,000 or any integral multiple of $100,000 in excess thereof.

(b) Notwithstanding any provision of this Agreement or any Related Document to the contrary, the District agrees not to terminate the Available Commitment, except upon (i) the payment by the District to the Bank of the Termination Fee, if any, in the amount set forth in the Fee Agreement, (ii) the payment to the Bank of all obligations payable hereunder, under the Notes and under the Fee Agreement and (iii) the District providing the Bank with thirty (30) days' prior written notice of its intent to terminate the Available Commitment; *provided* that all payments to the Bank referred to in clauses (i) and (ii) above shall be made in immediately available funds.

(c) Notwithstanding the foregoing and anything set forth herein to the contrary, unless the District agrees not to permanently reduce the Commitment except upon payment by the District to the Bank on the date of such reduction of the Reduction Fee, if any, in the amount set forth in the Fee Agreement, such amount to be made in immediately available funds.

Section 2.11. Prepayment of Notes. (a) *Optional Prepayments*. The District may, at its option, upon written notice to the Bank, at any time and from time to time, prepay Notes, in whole or in part, subject to the Breakage Expense described in Section 2.12. Each partial prepayment permitted above shall be in the principal amount of $100,000 or any multiple thereof plus accrued interest thereon.

(b) *Mandatory Prepayments*. If on any date (A) the aggregate principal amount of Outstanding Notes exceeds the amount of the Available Commitment, the District shall immediately prepay the Notes in an amount equal to such excess, or (B) any Notes purchased by the Bank for the repayment of outstanding Notes, the District shall immediately prepay any Outstanding Notes in an amount equal to the sum of the proceeds from such purchase.

(c) Upon receipt by the Bank of a notice of prepayment pursuant to this Section, such notice shall not be revocable by the District.

(d) Each prepayment shall be accompanied by the payment of accrued interest to the date of such prepayment on the amount prepaid.

Section 2.12. Breakage. In the event the Bank shall incur any loss, cost, or expense (including, without limitation, any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired or contracted to be acquired by the Bank to purchase or hold the Notes or the relending or reinvesting of such deposits or other funds or amounts paid or prepaid to the Bank) as a result of any prepayment or redemption of the Notes or the Loan Note on a date other than an Interest Payment Date (the "*Breakage Expenses*") for any reason, whether before or after a default, then upon the demand of the Bank, the District shall pay to the Bank a prepayment or redemption premium, as applicable, in such amount as will reimburse the Bank for such Breakage Expenses. If the Bank requests such prepayment or redemption premium, as applicable, it shall provide to the District a certificate setting forth the computation of the Breakage Expenses giving rise to the request for such prepayment or redemption premium, as applicable, in reasonable detail and such certificate shall be conclusive if reasonably determined.

Section 2.13. General Provisions as to Payment. The following general provisions shall apply to all payments due under the Fee Agreement, under the Notes and hereunder:

(a) The Bank shall calculate and notify the District in writing of the amounts payable by the District hereunder and the Fee Agreement not less than ten (10) Business Days preceding any payment date; provided that in no event shall the failure by the Bank to timely delivery such invoice affect the obligations of the District to make all such payments in the amount and on the dates required in this Agreement or the Fee Agreement. Such calculations will be based on the assumptions that the interest rate will not change from the date of calculation to the payment date. In the event any of such applicable rates change between the date of notification and the payment date, any overpayment or underpayment resulting from such change will be applied to the next ensuing payment or reimbursed, as the case may be.

(b) The District shall make each payment due to the Bank hereunder or under the Fee Agreement not later than 3:00 p.m. on the day when due, in federal or other funds immediately available, by wire transfer to such account as the Bank may from time to time designate. All payments received by the Bank after 3:00 p.m. shall be determined to have been received on the next succeeding Business Day and the applicable interest or fee shall continue to accrue.

(c) Whenever any payment due hereunder or under the Fee Agreement shall be due on any day which is not a Business Day, the date for payment thereof shall be extended to the next succeeding Business Day. If the date for the payment or prepayment of amounts due hereunder or under the Fee Agreement is extended by the preceding sentence, or by operation of law, or otherwise, interest thereon shall be payable for the period of such extension at the rate applicable thereto under other provisions of this Agreement.

Section 2.14. Security for Notes. The Notes, the Loan Note and all obligations of the District to the Bank hereunder and under the Fee Agreement are general obligations of the District. To provide security for the payment of the principal of and interest on the Notes, and the Loan Note and any amounts due under this Agreement and under the Fee Agreement, as the same shall become due and payable, the District has granted a lien on and pledge of the following:

(a) the proceeds from the sale of Notes from time to time issued to pay (or in exchange for) principal amounts of or interest on Outstanding Notes,

(b) proceeds from the sale of general obligation bonds issued by the District from time to time hereafter for the purpose of paying the principal amounts of or interest on outstanding Notes,

(c) amounts held in the Note Payment Account for the Notes, as set forth in the Order; and

(d) the proceeds of the tax levy, as set forth in the Order.

The District has also levied a continuing direct annual ad valorem tax, without legal limit as to rate or amount, upon all taxable property in the District, sufficient to pay principal and interest due on the Notes, the Loan Note and other amounts due hereunder and under the Fee Agreement. All of such sources and pledges are herein called the "*Collateral*." The Notes and the Loan Note shall further be entitled to the benefits of this Agreement.

Section 2.15. Chapter 1208, Texas Government Code. Chapter 1208, Texas Government Code applies to the Notes and the Loan Note and the obligations hereunder and under the Fee Agreement and the pledge made under Section 2.14, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Notes, the Loan Note or any obligation hereunder or under the Fee Agreement are outstanding and unpaid such that the pledge made by the District hereunder is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the Bank the perfection of the security interest in said pledge, the District agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Section 2.16. Extension of Purchase Period. Not more than one hundred twenty (120) days prior to the Expiration Date, the District may submit a written request in the form of Exhibit D hereto to the Bank that the Expiration Date be extended for an additional period as agreed to by the parties hereto. The District may request one or more such extensions. Any such written request may be accompanied by requests to increase or decrease the amount, or otherwise modify the terms and conditions, of the Available Commitment. The Bank has no obligation to agree to extend the Purchase Period or any other request or condition accompanying such request. If the Bank, in its sole discretion following such request by the District, agrees to extend the Purchase Period, the Bank shall give written notice of the election by the Bank to extend to the District within thirty (30) days from the date of receipt of information necessary, in the Bank's reasonable judgment, to permit the Bank to make an informed credit decision; and such extension shall be subject to preparation, execution and delivery of documentation in form and substance satisfactory to the Bank and the District. If the Bank does not so notify the District, the Expiration Date shall not be so extended. At the time of any extension, the Bank may, in its sole discretion as a condition to such extension, require changes in the terms and conditions of this Agreement or the Fee Letter.

Section 2.17. Compliance with Law. (a) Notwithstanding any other term or provision of this Agreement, the Fee Agreement, the Loan Note or of the Notes, the maximum amount of interest which may be payable by, charged to, or collected from the District, or any other person either primarily or conditionally liable for the payment of the Notes or the Loan Note, shall be limited to, and shall in no event or under any circumstance exceed, the Highest Lawful Rate so that, notwithstanding any other term or provision of this Agreement, the Fee Agreement, the Loan Note or the Notes, the aggregate of the interest on any Note or Loan Note, including all fees and other amounts which constitute interest under applicable state law (and any applicable federal statutes), shall never exceed the Highest Lawful Rate. Accordingly, the District and the Bank stipulate and agree that this Agreement, the Fee Agreement, the Loan Note and the Notes shall not be construed to create a contract to pay interest for the use,

forbearance, or detention of money at a rate in excess of the Highest Lawful Rate, and the District shall never be liable for interest in excess of the Highest Lawful Rate.

(b) Specifically and without limiting the generality of the foregoing, it is further agreed among the District and the Bank that the maximum amount of interest contracted for and payable on or under this Agreement, the Fee Agreement, the Loan Note and the Notes, now or hereafter shall be calculated in order that such rate shall not exceed the Highest Lawful Rate, and such parties agree that:

(i) In the event of voluntary prepayment of any Note or Loan Note, if the aggregate amount of any interest calculated thereunder or thereon, plus any other amounts which constitute interest on such Note or Loan Note would, in the aggregate, if charged or paid, exceed the Highest Lawful Rate, then in such event the amount of such excess shall not be charged, payable or due (if not previously paid) or (if paid) shall be credited toward the payment of the principal of the Note or Loan Note involved so as to reduce the amount thereof and if, and to the extent, the entire principal amount has been paid in full, refunded to the District.

(ii) The provisions of this Section 2.17 shall control over any other provisions of this Agreement, the Fee Agreement, the Loan Note the Notes, any other instrument or writing evidencing, respecting or affecting the Loan Note or Notes, and the Bank further agrees that any limitations or restrictions imposed on it, or on payments which it may receive by reason of this Section 2.17, shall apply and be recognized in all circumstances and to all payments, regardless of the source or payor thereof; *provided*, *however*, that this Section 2.17 shall not be construed to prohibit the payment of the Excess Interest Amount as described in Section 2.06 hereof.

(iii) All fees prescribed herein and in the Fee Agreement shall constitute exclusively the consideration for the Bank's agreement to have available funds in the amount committed by the Bank in respect to the purchase of the Notes in the future as provided herein and shall not constitute or be treated as compensation for the use of, forbearance, or detention of money actually loaned and advanced hereunder.

Section 2.18. Obligations Absolute. The obligations of the District under this Agreement, the Notes, the Loan Note and the Fee Agreement shall be absolute, unconditional and irrevocable and shall be paid or performed strictly in accordance with the terms of this Agreement, the Notes, the Loan Note and the Fee Agreement, under all circumstances whatsoever, including, without limitation, the following circumstances: (i) any lack of validity, legality or enforceability of this Agreement, the Fee Agreement, the Notes, Loan Note or any other Related Document, or any other instrument, agreement or other document executed and delivered by the District in connection with any of the foregoing; (ii) any amendment or waiver of or any consent to departure from all or any of the Related Documents, or any other instrument, agreement or other document executed and delivered by the District in connection with any of the foregoing; (iii) any statement or other document presented under this Agreement proving to be forged, fraudulent, invalid or insufficient in any respect or any

statement therein being untrue or inaccurate in any respect whatsoever; (iv) the purchase of Notes after the delivery of a Request for Purchase that does not comply with the terms of this Agreement; (v) the existence of any claim, set-off, defense or other rights which the District may have at any time against the Bank or any other Person, whether in connection with this Agreement, the transactions contemplated herein or in the Related Documents or any unrelated transaction; or (vi) any other circumstance (whether or not similar to any of the foregoing), it being agreed that the obligations hereunder and under the Fee Agreement shall not be discharged except by the performance thereof strictly in accordance with the terms of this Agreement and the Fee Agreement including, without limitation, the payment in full as herein provided of all amounts owing hereunder and under the Fee Agreement.

Section 2.19. Alternate Rate of Interest.

(a) Subject to clauses (b), (c) and (d) of this Section 2.19, if:

(i) the Calculation Agent determines (which determination shall be conclusive absent manifest error) prior to the commencement of any Interest Period, that adequate and reasonable means do not exist for ascertaining the Adjusted Term SOFR Rate or the Term SOFR Rate (including because the Term SOFR Reference Rate is not available or published on a current basis), for such Interest Period; or

(ii) the Calculation Agent is advised by the Bank that prior to the commencement of any Interest Period, that Adjusted Term SOFR Rate for such Interest Period will not adequately and fairly reflect the cost to the Bank of purchasing or holding the Note for such Interest Period;

then the Calculation Agent shall give notice thereof to the District as promptly as practicable thereafter and, until the Calculation Agent notifies the District that the circumstances giving rise to such notice no longer exist, (A) any Note shall be (x) repaid or (y) begin to bear interest at the Adjusted Base Rate plus the Applicable Spread on the last day of the then current Interest Period applicable thereto, and (B) if any Request for Purchase requests the Bank to purchase Notes, such Notes shall bear interest at the Adjusted Base Rate plus the Applicable Spread.

(b) If the Calculation Agent or the Bank determines that any Requirement of Law has made it unlawful, or if any Governmental Authority has asserted that it is unlawful, for the Bank or its applicable lending office to purchase or maintain any Notes bearing interest at the Adjusted Term SOFR Rate, or any Governmental Authority has imposed material restrictions on the authority of the Bank to purchase or sell, or to take deposits of, dollars in the interbank offering market, then, on notice thereof by the Bank to the District (which notice shall contain a description restriction or determination that is the basis for the delivery of notice by the Bank under this Section 2.19(b)), any obligations of the Bank to purchase or maintain any Notes bearing interest at the Adjusted Term SOFR Rate will be suspended until the Bank notifies District that the circumstances giving rise to such determination no longer exist. Upon receipt of notice from the Bank triggering the suspension of the Bank's obligation to purchase or maintain Notes bearing interest at the Adjusted Term SOFR Rate, District will upon demand from the Bank, either prepay such Notes bearing interest at the Adjusted Term SOFR Rate or convert such Notes to Notes accruing interest at the Adjusted Base Rate plus the Applicable Spread, either on the last day of the Interest Period

therefor, if the Bank may lawfully continue to maintain such Notes bearing interest at the Adjusted Term SOFR Rate to such day, or as soon as reasonably practicable under the laws applicable to the District, if the Bank may not lawfully continue to maintain such Notes. Upon any such prepayment or conversion, the District will also pay accrued but unpaid interest on the amount so prepaid or converted.

(c) Notwithstanding anything to the contrary herein or in any other Related Document, if a Benchmark Transition Event has occurred, the Bank may, by notice to the District, amend this Agreement to establish an alternate rate of interest for the Benchmark that gives due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) the then-evolving or prevailing market convention for determining a benchmark rate as a replacement for the then current Benchmark at such time (the "Alternate Rate"); the District acknowledges that the Alternate Rate may include a mathematical adjustment using any then-evolving or prevailing market convention or method for determining a spread adjustment for the replacement of the Benchmark (which may include, if any Benchmark already contains such a spread, adding that spread to the Alternate Rate).The Bank may further amend this Agreement by such notice to the District to make technical, administrative or operational changes (including, without limitation, changes to the definition of "Interest Period", timing and frequency of determining rates and making payments of interest, the timing of prepayment or conversion notices, the length of lookback periods, the applicability of breakage provisions and other technical, administrative or operational matters) that the Bank decides in its reasonable discretion may be appropriate to reflect the adoption and implementation of the Alternate Rate and are not in violation of the laws applicable to the District. The Alternate Rate, together with all such technical, administrative and operational changes as specified in any notice, shall become effective at the later of (i) the fifth Business Day after the Bank has provided notice (including without limitation for this purpose, by electronic means) to the District (the "Objection Date") and (ii) a date specified by the Bank in the notice, without any further action or consent of the District, so long as the Bank has not received, by 5:00 pm Eastern time on the Objection Date, written notice of objection to the Alternate Rate from the District. If, on the date the Benchmark actually becomes permanently unavailable pursuant to a Benchmark Transition Event, an Alternate Rate has not been established in this manner, the Notes will, until an Alternate Rate is so established, bear interest at the Adjusted Base Rate plus the Applicable Spread. In no event shall the Alternate Rate be less than the Floor.

(d) All determinations by the Bank under this Section 2.19 shall be conclusive and binding absent manifest error and may be made in its sole discretion and without consent from any other party to this Agreement or any other Related Document, except, in each case, as expressly required pursuant to this Section 2.19.

ARTICLE III

CONDITIONS

Section 3.01. Conditions to Closing and Commencement of the Purchase Period. This Agreement shall be delivered to, and binding upon, the District and the Bank on the date on which the conditions set out in this Section 3.01 shall have been satisfied, and the Revolving Credit Period shall commence on such date.

(a) a counterpart of this Agreement and the Fee Agreement duly executed by the District and the Bank;

(b) a copy of the Order, including any amendments thereto;

(c) a certificate of the Authorized Official in form and substance satisfactory to the Bank, dated the Effective Date, and containing the representations substantially in the form of Exhibit B hereto;

(d) an opinion of Bond Counsel on which the Bank may rely, dated the Effective Date, in form and substance satisfactory to the Bank and its counsel;

(e) copy of the executed Series A Commercial Paper Revolving Credit Agreement;

(f) copies of all approvals or authorizations by, or consents of, or notices to or registrations with, any governmental body or agency required for the District to enter into this Agreement, the Fee Agreement and the Related Documents and of all such approvals, authorizations, consents, notices, or registrations required to be obtained or made prior to the Effective Date in connection with the transactions described herein and by the other Related Documents;

(g) copies of the District's investment policy, guidelines and permitted investments;

(h) evidence of the underlying rating on the District's unlimited tax bonds from S&P of "AA+" and Fitch of "AA+".

(i) a certificate of incumbency, dated on or before the Effective Date, executed by the Secretary of the Board;

(j) the duly executed Loan Note;

(k) an approving opinion of the Office of the Attorney General of the State of Texas; and

(l) such other documents, opinions, or certificates reasonably requested by the Bank.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE DISTRICT

Section 4.01. Organization and Powers. The District (a) is a political subdivision of the State and an independent school district duly established and validly existing under the constitution and laws of the State of Texas; (b) has full power and authority to operate, acting through the Board, and to acquire, construct, finance, and operate the Eligible Projects; (c) has full power and authority to adopt the Order; to execute, deliver, and perform the Order, this

Agreement, the Fee Agreement, the Loan Note and the Notes; to borrow hereunder, and to execute, deliver, and perform the Notes and the Loan Note and (d) has full power and authority to issue the Notes and the Loan Note, sell the Notes as described herein, and otherwise incur general obligation debt in accordance with this Agreement, the Fee Agreement and the other Related Documents and pay the principal of and interest on the Notes, the Loan Note and all of the District's Obligations hereunder (including, without limitation, the obligation, to repay all Notes and the Loan Note, to pay all interest thereon, and to pay all fees and other amounts payable hereunder and under the Fee Agreement).

Section 4.02. Authorization Contravention. The execution, delivery, and performance by the District of this Agreement, the Fee Agreement, the Order, the Loan Note, the Notes and the making of the payments under the Notes and the Loan Note have been duly authorized by all necessary action by the District and do not contravene, conflict, or result in the violation or breach of, or constitute a default under, any provision of Applicable Law.

Section 4.03. Governmental Consent or Approval. The District is in compliance with all Applicable Laws, orders, regulations, and other requirements of governmental authorities. No authorization, consent, approval, permit, license, or exemption of, or filing or registration with, any court or governmental department, commission, board, bureau, agency, or instrumentality that has not been already obtained or issued (or will have been obtained on or prior to the Effective Date) is or will be necessary for the valid adoption, execution, delivery or performance by the District of the Related Documents, the Notes, the Loan Note or this Agreement.

Section 4.04. Binding Effect. This Agreement, the Fee Agreement, the Order, the Loan Note and the Notes constitute valid and binding obligations of the District, assuming this Agreement and the Fee Agreement are the valid and binding agreements of the Bank, enforceable against the District in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium, or other laws or equitable principles relating to or limiting creditor's rights and remedies generally.

Section 4.05. Federal Reserve Regulations. No part of the proceeds of any Notes or the Loan Note will be used for the purpose, whether immediate, incidental, or ultimate, of purchasing or carrying any margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System, as amended from time to time), or extending credit to others for the purpose of purchasing or carrying any margin stock, or for any other purpose which would violate any of the regulations of said Board of Governors.

Section 4.06. Litigation. There is no action, suit, or proceeding to which the District is a party pending in any court or, to the knowledge of the District, threatened against or affecting the District, or relating to other Applicable Laws or regulations, or this Agreement or the other Related Documents in any court or before or by any governmental department, agency, instrumentality, or arbitrator the resolution of which could reasonably be expected to materially and adversely affect the ability or authority of the District to perform its obligations under this Agreement or the other Related Documents, or which in any manner questions the validity or enforceability of this Agreement or the Related Documents or the granting, perfection, enforceability, or priority of the lien on and pledge of the Collateral provided in

Section 2.14, except any action, suit, or proceeding which may be brought prior to the Effective Date as to which the Bank has received an opinion of counsel satisfactory to the Bank, in form and substance satisfactory to the Bank and its counsel, to the effect that such action, suit, or proceeding is without substantial merit.

Section 4.07. No Default. The District is not in default under (i) any order, writ, injunction or decree of any court or governmental body, agency or other instrumentality applicable to it, or (ii) any law or regulation applicable to it, or (iii) any of its debt, or (iv) any contract, agreement or instrument to which it is a party or by which it or its property is bound, in each case, which default could have a material adverse effect on the properties, business, revenues, condition (financial or other), results of operations or prospects of the District or an adverse effect on the validity or enforceability of, or the authority or ability of the District to perform its obligations under, this Agreement and the other Related Documents; and no event has occurred which with the giving of notice or the passage of time or both would constitute such a default. No Default or Event of Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Related Document.

Section 4.08. Financial Statements. All financial statements of the District delivered to the Bank have been prepared in accordance with generally accepted accounting principles consistently applied and fairly present the financial condition of the District. No material adverse change in the business, properties, condition (financial or otherwise), or operations, present or prospective, of the District has occurred since the date thereof.

Section 4.09. Complete and Correct Information. All information, reports, and other papers and data with respect to the District furnished by the Board to the Bank in connection with this Agreement were, at the time the same were so furnished, complete and correct in all material respects. No document furnished or written information provided by the District in connection with the negotiations, preparation, or execution of this Agreement contains any untrue statement of a fact material to its creditworthiness or omits to state a material fact necessary in order to make the statements contained therein not misleading.

Section 4.10. Collateral. Section 2.11 of the Order creates and constitutes a valid continuing irrevocable lien on and pledge of the Collateral.

Section 4.11. Incorporation by Reference. The representations and warranties (and related defined terms used therein) made by the District in the Related Documents are hereby incorporated herein by reference and made for the benefit of the Bank. Except as made in accordance with the terms hereof, no amendment, modification, termination or replacement of any such representations, warranties and definitions contained in the Related Documents shall be effective to amend, modify, terminate or replace the representations, warranties, covenants and definitions incorporated herein by this reference, without the prior written consent of the Bank.

Section 4.12. Legislation. Except to the extent disclosed to the Bank in writing, there is no amendment or, to the knowledge of the District, proposed amendment to the constitution of the State of Texas or any administrative interpretation of the constitution of the

State of Texas or any State of Texas law, or any legislation that has passed either house of the legislature of the State of Texas, or any judicial decision interpreting any of the foregoing, the effect of which will materially adversely affect the issuance of any of the Notes or the Loan Note, the security for any of the Notes, the Loan Note or the District's obligations hereunder, under the Notes or under any of the other Related Documents to which it is a party, or the District's ability to repay when due its obligations under this Agreement, under the Notes and the Loan Note, any of its general obligation bonds, or any Related Document.

Section 4.13. *Environmental Matters*. The District has not received notice to the effect that its operations are not in compliance with any of the requirements of applicable federal, state or local environmental, health and safety statutes and regulations or are the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could reasonably be expected to have a material adverse effect on the assets, financial condition, or operations of the District or its ability to perform its obligations under the Related Documents.

Section 4.14. *Tax-Exempt Status*. The District has not taken any action or omitted to take any action, and knows of no action taken or omitted to be taken by any other Person, which action, if taken or omitted, would adversely affect the exclusion of interest on the Notes from gross income for federal income tax purposes.

Section 4.15. *Compliance with Laws and Contracts*. The execution, delivery and performance by the District of this Agreement and the other Related Documents to which it is a party will not (i) violate any provision of any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award as currently in effect to which the District is subject; (ii) result in a breach of or constitute a default under the provisions of any indenture, loan or credit agreement or any other agreement, lease or instrument to which the District may be or is subject or by which it, or its property, is bound; or (iii) result in, or require, the creation or imposition of any mortgage, deed of trust, assignment, pledge, lien, security interest or other charge or encumbrance of any nature on or with respect to any of the properties of the District other than as provided therein; and the District is not in default under any such law, rule, regulation, order, writ, judgment, injunction, decree, determination or award or any such indenture, agreement, lease or instrument except for such noncompliance that singly or in the aggregate has not caused and could not reasonably be expected to cause a Material Adverse Effect.

Section 4.16. *Solvency*. The District is, and upon the incurrence of any obligation by the District on any date on which this representation and warrant is made will be, solvent and able to pay its debts as they become due.

Section 4.17. *No Tax or Fee*. None of the execution or delivery of this Agreement or the other Related Documents, the extension of credit provided herein or the purchase of Notes will give rise to any tax or fee imposed by any local or state agency or governmental body, except for those which have been paid.

Section 4.18. Issuance of Commercial Paper Notes. Each issuance of Notes by the District shall be deemed a representation by the District that (a) the District has complied in all material respects with all of the terms and provisions of this Agreement and the other Related Documents, (b) on such date, and after giving effect to the issuance of the Notes, no Default or Event of Default has occurred or is continuing, (c) the representations and warranties of the District contained in this Agreement and the other Related Documents to which it is a party are true and correct in all material respects on and as of the date of issuance of the Notes in question as though made on and as of such date, and (d) the aggregate amount of Notes Outstanding, after issuance of the Notes will not exceed the Commitment available to be drawn hereunder.

Section 4.19. Commercial Paper Notes. Each Note and the Loan Note has been duly and validly issued under the Act, the Order and entitled to the benefits thereof.

Section 4.20. Employee Benefit Plan Compliance. The District has no funding liability or obligation currently due and payable with respect to any employee benefit plan which could reasonably be expected to materially and adversely affect the ability of the District to perform its obligations hereunder or under any other Related Document. The District is otherwise in compliance with the terms of any such plan in which the District participates to the extent any such failure to comply could reasonably be expected to materially and adversely affect the ability of the District to perform its obligations hereunder or under any other Related Document. Neither the District nor any employee benefit plan maintained by the District is subject to ERISA. The District is not subject to ERISA and maintains no Plans.

Section 4.21. Immunity. To the extent such obligations are not uncertain or in dispute, the District is not entitled to claim immunity on the grounds of sovereignty, or similar grounds, from (i) relief by writ of mandamus to perform its obligations under this Agreement, the Fee Letter, the Order, or the Notes or (ii) enforcement by writ of mandamus of its payment obligations with respect to any Notes or other amounts due under this Agreement or the Fee Letter.

Section 4.22. Anti-Corruption Laws. The District and, to the knowledge of the District, its respective officers, employees, directors, trustees and agents, that will act in any capacity in connection with or benefit from the transactions established by the Related Documents are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) the District or, to the knowledge of the District, any of its respective directors, officers, trustees or employees that will act in any capacity in connection with or benefit from the transactions established by the Related Documents, or (b) to the knowledge of the District any agent of the District that will act in any capacity in connections with or benefit from the transactions established by the Related Documents is a Sanctioned Person. No proceeds of the transactions contemplated by the Related Documents will violate Anti-Corruption Laws or applicable Sanctions.

ARTICLE V

COVENANTS OF THE DISTRICT

The District and the Board, as applicable, agree that during the term of this Agreement and while the Notes, the Loan Note or any obligation hereunder or under the Fee Agreement are Outstanding:

Section 5.01. Information. The District will deliver to Bank:

(a) the District within 180 days after the end of each Fiscal Year, a copy of the audited financial statements of the District prepared in accordance with generally accepted accounting principles applicable to independent school districts of the State of Texas such as the District, consistently applied, and audited by independent certified public accountants of recognized standing, including such information that is required by applicable Texas law and the rules of the Texas Education Agency from time to time promulgated and applicable to the District;

(b) concurrently with the delivery of the financial statements in (a) above, a no default certificate of the District from an Authorized Official in the form of Exhibit E hereto;

(c) promptly after the issuance thereof, copies of any prospectus, official statement, offering circular, placement memorandum, or similar or corresponding document, and any supplements thereto and updates and amendments thereof, that the District makes available in connection with the offering, issuance or incurrence of obligations secured by all or any portion of the Collateral, and, on request, copies of such other financial reports that the Board shall customarily and regularly provide to the public;

(d) forthwith upon the occurrence of any Event of Default a certificate of an Authorized Official setting forth the details thereof and the action which the Board is taking or proposes to take with respect thereto, a report showing the aggregate amount and maturities of Notes outstanding at the end of the preceding month and a summary of the aggregate principal amount of Notes issued, rolled over or retired in such period;

(e) promptly, and in any event within ten (10) Business Days, notice of any change (whether upward or downward) in any unenhanced long-term debt rating assigned by Moody's, Fitch or S&P (and any additional rating agency designated by the District with the written consent of the Bank) to any general obligation Indebtedness of the District;

(f) notice of (i) the existence and status of any litigation which individually or in the aggregate could, in the event of an unfavorable outcome, have a material adverse effect on (A) the financial condition or operations of the District or its performance of its obligations hereunder or under any of the Related Documents, (B) the Notes or the Loan Note, (C) the payment of the principal of and interest on the Notes, the Loan Note and all other amounts due under this Agreement, or (D) the enforceability or validity of any of the Related Documents, (ii) any change in any material fact or circumstance represented

or warranted in this Agreement or in any of the Related Documents, or (iii) any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect;

(g) as soon as available and in any event within forty-five (45) days after the end of each Fiscal Year, a copy of the annual budget of the District; and

(h) upon written request of the Bank, any other financial information reasonably requested.

Any of the above information required to be delivered to the Bank pursuant to (a)-(h) above may be provided in electronic form, if available, including by reference to such information as being available on the MSRB's information website (currently EMMA).

Section 5.02. Access to Records. The District will (i) furnish to the Bank such information regarding the financial condition, results of operations, or business of the District and its performance under this Agreement and the other Related Documents, as the Bank may reasonably request, (ii) upon provision of at least 48 hours prior notice, permit any officers, employees, or agents of the Bank to visit and inspect during the regular operating hours of the District any of the properties of the District and to discuss matters with the District's officers and accountants reasonably pertinent to the assets, liabilities, financial condition, results of operations, or business of the District, and (iii) permit the Bank to copy and make abstracts from any and all of said books and records, (except books and financial records the examination of which by the Bank is prohibited by law, information made confidential by law or by agreement with third parties, or by attorney or client privileges), all at such reasonable times as the Bank may reasonably request. All information received by or provided to the Bank pursuant to this Agreement, unless otherwise made public by the District or required by law to be disclosed, will be held as confidential information by the Bank.

Section 5.03. Limitation on Commercial Paper Notes. The District will not issue any Notes except in accordance with the Order.

Section 5.04. Proceeds of Commercial Paper Notes. The proceeds of the Notes or Loan Notes will be used by the District solely for the purposes described in the Order and herein. The District shall not use the proceeds of any credit extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose, in each case in violation of, or for a purpose which violates, or would be inconsistent with, Regulation T, U or X of the Board of Governors of the Federal Reserve System.

Section 5.05. Performance and Compliance with Other Covenants. The District shall fully and faithfully perform each of the covenants required of it pursuant to the provisions of the Related Documents.

Section 5.06. No Amendment of Certain Contracts or Orders. The District will not consent to or enter into any amendment, modification or supplement to, or waiver of any of the provisions of the Related Documents without the prior written consent of the Bank,

which consent will not unreasonably be withheld. The District will give the Bank notice as promptly as practicable (but in no event less than five (5) Business Days) of any proposed amendments to or modifications or waivers of any provisions of the Order and of any meeting of the Board at which any of the foregoing will be discussed or considered.

Section 5.07. Supplemental Orders and Further Assurances. The District will at any and all times, insofar as it may be authorized so to do by law, pass, make, do, execute, acknowledge, and deliver all and every such further resolutions, acts, assignments, recordings, filings, transfers, and assurances as may be required by law to maintain all and singular the rights, revenues, and other funds and the Collateral hereby pledged or assigned to the payment of the Notes or the Loan Note, or intended so to be, of which the District may become bound to pledge or assign and to carry out the intent and purpose of this Agreement and the other Related Documents.

Section 5.08. Indebtedness, Taxes and Liabilities. The District will pay all its indebtedness and obligations promptly and in accordance with its terms and pay and discharge or cause to be paid and discharged promptly all taxes, assessments, and governmental charges or levies imposed upon it or upon its income and profits, or upon any of its property, real, personal, or mixed, or upon any part thereof, before the same shall become in default, except for those matters which are reasonably being contested in good faith by appropriate action or proceedings or for which the District has established adequate reserves in accordance with generally accepted accounting principles applicable to governmental entities.

Section 5.09. Reserved.

Section 5.10. Compliance With Law. The District shall comply with all laws, ordinances, orders, rules, investment policies and guidelines and regulations (including without limitation, compliance with Environmental Laws and state securities laws in connection with the offering, sale and delivery of the Notes) that may be applicable to it if the failure to comply could have a material adverse effect on the properties, business revenues, condition (financial or other), results or operations of the District or on the security for any of the Notes or any obligation owed to the Bank hereunder or under the Fee Agreement, or the ability of the District to perform its obligations under this Agreement and the other Related Documents.

Section 5.11. Insurance. The District will maintain insurance with insurers of good standing, to the extent that such insurance is available, or self-insure (to the extent permitted by law), against risks, accidents or casualties against which and to the extent customarily insured against by political subdivisions of the State of Texas operating similar properties.

Section 5.12. Investments Generally. The District shall comply with the provisions of the Public Funds Investment Act (Chapter 2256, as amended, Texas Government Code).

Section 5.13. *Ratings*. The District will maintain at least two underlying long-term credit ratings on its general obligation Indebtedness from Moody's, S&P or Fitch (or such other rating agency designated by the District with the written consent of the Bank).

Section 5.14. *Notification of Liabilities*. The District shall notify the Bank of the occurrence of any actual or potential contingent liability which would have a materially adverse effect on the District's ability to perform its obligations under this Agreement and the other Related Documents.

Section 5.15. *Tax Exempt Program*. The District shall comply with the Order and maintain the tax-exempt status of its Notes.

Section 5.16. *Other Agreements*. The District shall not enter into any agreement which would be violated or breached by the performance of the District's obligations under this Agreement, other the Related Documents, or the Series A Commercial Paper Revolving Credit Agreement.

Section 5.17. *Levy of Taxes*. The District shall comply with the provisions of the Order regarding the levy of ad valorem taxes during each year during the term of this Agreement sufficient to provide for the timely payment of principal of and interest on the Notes and the (taking into account any other sources of funding that are lawfully available therefor) and shall levy taxes and take such further action to provide for the payment of the District's obligations under this Agreement, the Loan Note and the Notes.

Section 5.18. *Maintenance of Existence*. The District shall at all times preserve and maintain its existence as a school district under Chapter 45, Texas Education Code, as amended, or a successor statute.

Section 5.19. *Offering Document*. The District shall not refer to the Bank in any offering document or make any changes in reference to the Bank in any offering document without the Bank's prior written consent thereto (the Bank hereby giving its written consent to the reference to it in the Offering Memorandum as in effect on the Effective Date to the extent the same conforms to information provided by the Bank for inclusion in such Offering Memorandum or an Official Statement identifying the Bank as the credit provider for the Commercial Paper Notes under this Agreement or the lender under the JPMorgan Revolving Credit Agreement).

Section 5.20. *Total Outstanding*. At no time shall the District permit the aggregate principal amount of the Notes and the Series A Commercial Paper Notes Outstanding and the Term Loans to exceed the Available Commitment.

Section 5.21. *Incorporation by Reference*. From and after the date hereof and so long as this Agreement is in effect, except to the extent compliance in any case or cases is waived in writing by the Bank pursuant to the terms hereof, the District agrees that it will, for the benefit of the Bank, comply with, abide by, and be restricted by all of the agreements, covenants, obligations and undertakings of the District contained in the Order and the other Related Documents, which provisions, together with the related definitions, and ancillary provisions, are hereby incorporated herein by reference, and made a part hereof to the same

extent and with the same force and effect as if the same had been herein set forth in their entirety and it will be deemed to continue in effect for the benefit of the Bank, without regard or giving effect to any amendment or modification of such provisions or any waiver of compliance therewith, no such amendment, modification or waiver are to any manner constitute an amendment, modification or waiver of the provisions thereof as incorporated herein without the prior written consent of the Bank.

Section 5.22. Issuing and Paying Agent. The District shall maintain the Bank as Paying Agent and Registrar for the Notes under the Order.

Section 5.23. Consolidation, Merger, etc. The District will not liquidate or dissolve or otherwise dispose of all or substantially all of its assets (whether in a single transaction or a series of transactions) or merge into another Person or permit one or more other Persons to consolidate with or merge into it, unless each of the following conditions shall have been fulfilled: (i) after giving effect to such disposition, consolidation or merger, no Default or Event of Default will have occurred and be continuing; (ii) the Person to which such disposition is made or the Person surviving such consolidation or merger (if such Person is not the District) assumes in writing, reasonably satisfactory in form and substance to the Bank, the performance of all of the obligations, covenants, agreements and conditions of this Agreement and the Related Documents; and (iii) the District shall have given to the Bank not less than 30 days' prior written notice of such disposition, merger or consolidation and furnished to the Bank (a) all such information concerning such disposition, consolidation or merger as the Bank shall have reasonably requested, and (b) a certificate of an appropriate officer of the District to the effect that each of the conditions precedent to such disposition, merger or consolidation contained in this Section 5.23 has been fulfilled.

Section 5.24. Payment Obligations. The District shall promptly pay or cause to be paid all amounts payable by it hereunder and under the other Related Documents, as applicable, according to the terms hereof or thereof.

Section 5.25. Swap Termination Payments. In no event shall any lien on the Collateral securing any swap termination payments be first in priority to or *pari passu* with the lien granted in support of the Notes and the obligations under the Order.

Section 5.26. Further Assurances. The District shall, upon the request of the Bank, from time to time, execute and deliver and, if necessary, file, register and record such further financing statements, amendments, confirmation statements and other documents and instruments and take such further action as may be reasonably necessary to effectuate the provisions of this Agreement and the Related Documents. The District will pay or cause to be paid all filing, registration and recording fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment of such instruments of further assurance, and all federal or state fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Agreement, the Related Documents and such instruments of further assurance.

Section 5.27. Maintenance of Approvals; Filings, Etc. The District shall at all times maintain in effect, renew and comply with all the terms and conditions of all consents,

licenses, approvals and authorizations as may be necessary or appropriate under any applicable law or regulation for its execution, delivery and performance of this Agreement and the other Related Documents.

Section 5.28. Accuracy of Information. All data, certificates, reports, opinions of counsel, documents and other written information furnished to the Bank, whether pursuant to this Agreement, or in connection with or pursuant to an amendment or modification of, or waiver under, this Agreement shall, at the time the same are so furnished, (i) be complete and correct in all material respects, and (ii) not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements contained therein not misleading, and the furnishing of the same to the Bank shall constitute a representation and warranty by the District to that effect. Each financial statement furnished to the Bank, whether pursuant to this Agreement, or in connection with or pursuant to an amendment or modification of, or waiver under, this Agreement, shall, at the time the same is so furnished, fairly present the financial condition and results of operations of the District.

Section 5.29. Immunity. To the extent permitted by applicable law and to the extent that it hereinafter has or acquires any such immunity, the District shall waive immunity on the grounds of sovereignty or similar grounds solely with respect to (i) relief by writ of mandamus to perform its obligations under this Agreement, or (ii) enforcement by writ of mandamus of its payment obligations with respect to the Notes, the Loan Note or other amounts due under this Agreement or the Fee Agreement.

ARTICLE VI

DEFAULTS AND REMEDIES

Section 6.01. Events of Default. One or more of the following events ("*Events of Default*") shall have occurred and be continuing:

(a) the District shall fail to pay (i) any amount on the Notes or the Loan Note when due or (ii) any other amount payable hereunder and under the Related Documents;

(b) any representation, warranty, certification, or statement made by the District in this Agreement or in any certificate, financial statement, or other document delivered pursuant to this Agreement shall prove to have been incorrect in any material respect when made or deemed to have been made;

(c) breach by the District of any covenant, agreement, or condition contained in Sections 5.01(d), 5.01(e), 5.03, 5.04, 5.06, 5.07, 5.13, 5.17, 5.18, 5.20, 5.23, 5.25 or 5.29 hereof;

(d) breach by the District of any other covenant, agreement, or condition (other than those referred to or contained in clauses (a), (b), or (c) above) contained in this Agreement or the Notes and the continuation thereof for more than forty-five (45) days;

(e) (i) one or more final unappealable judgments or orders for the payment of money which individually or in the aggregate exceed $10,000,000 shall be rendered

against the District and such judgment or order shall continue unsatisfied and unstayed for a period of 60 days, or (ii) the District shall have failed promptly to lift any execution, garnishment, or attachment pursuant to such judgment or order as, in the written opinion an Authorized Official, will impair the District's ability to carry on its business;

(f) the District shall fail to pay when due and payable (i) any principal of or interest on any general obligation Indebtedness (including, in each case, without limitation, any principal or sinking fund installments), and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, order, resolution or instrument providing for the creation of or concerning such Indebtedness; or any failure to pay principal or interest on any general obligation Indebtedness under any indenture, order, resolution or instrument providing for the creation of or concerning such Indebtedness shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to pay principal or interest on such Indebtedness is to accelerate, or to permit the acceleration of, the maturity of such Indebtedness;

(g) the District shall (i) commence a voluntary case, petition, or other proceeding or other action (x) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts or (y) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or the District shall make a general assignment for the benefit of its creditor or admit in writing its inability to pay its debts generally as they become due or shall become insolvent within the meaning of Section 101(32) of the United States Bankruptcy Code;

(h) a receiver, liquidator, custodian, or other official, appointed in an involuntary case or proceeding commenced against the District, appointed without consent or acquiescence of the District, takes charge of the District and such action as to the District is not stayed, dismissed, discharged, or vacated for a period of sixty (60) days;

(i) (i) an involuntary case or other proceeding shall be commenced against the District seeking (x) liquidation, reorganization, or other relief with respect to the District's bonds or other obligations under any bankruptcy, insolvency, or other similar law now or hereafter in effect or (y) the appointment of a custodian, receiver, liquidator, trustee or other similar official of the District, and such proceeding or case shall not be dismissed or stayed within sixty (60) days after the filing thereof, or (ii) an order of relief shall be entered against the District under federal bankruptcy laws as now or hereafter in effect;

(j) (i) any provision of this Agreement or any other Related Documents relating to the District's ability to make payments on the Notes, the Loan Note or other obligation hereunder or under the Fee Agreement or to raise funds to meet such payment obligations or the pledge of and lien on the Collateral, in any case, shall at any time for any reason cease to be valid and binding or fully enforceable on the District as a result of

federal or state legislative or administrative action, or shall be declared in a final non-appealable judgment by any court having jurisdiction over the District to be null and void, invalid, or unenforceable, (ii)(x) the validity or enforceability of any provision of this Agreement or any other Related Documents referred to in clause (i) of this subsection (j) shall be contested by the District, (y) the District shall deny that the District has any payment obligations on the Notes or the Loan Note or (z) the District shall repudiate such payment obligations or (iii) any material provision of this Agreement or any other Related Document other than the provisions described in clause (i) of this subsection (j) shall at any time for any reason cease to be valid and binding on the District as a result of federal or state legislative or administrative action, or shall be declared in a final non-appealable judgment by any court having jurisdiction over the District to be null and void, invalid, or unenforceable, or the validity or enforceability thereof shall be contested by the District;

(k) the Order shall be modified or amended in any way without the prior written consent of the Bank;

(l) S&P, Fitch and/or Moody's shall have (i) assigned any general obligation Indebtedness of the District a long-term rating below "BBB-" (S&P and Fitch) and "Baa3" (Moody's), or (ii) suspended or withdrawn ratings of the Commercial Paper Notes or any other general obligation Indebtedness of the District for credit related reasons;

(m) (i) the District shall impose a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any general obligation Modified Indebtedness of the District that ranks senior to or on a parity with the Notes or (ii) any Governmental Authority having appropriate jurisdiction over the District shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the Notes, the Loan Note or on all general obligation Indebtedness of the District; or

(n) an "event of default", as defined in any Related Document, shall (subject to any materiality standard, periods of grace, or opportunity to cure as may be provided in the subject Related Document) have occurred; or

(o) an "event of default" under the Series A Commercial Paper Revolving Credit Agreement shall have occurred.

Section 6.02. Remedies. (a) Upon the occurrence of any Event of Default, the Commitment shall immediately terminate, and the Bank shall have no obligation to purchase Notes hereunder or to make a Term Loan.

(b) Upon the occurrence of any Event of Default, the Bank may declare the Loan Note and all accrued interest thereon, to be forthwith due and payable, whereupon the Loan Note and such interest and all such amounts shall become and be forthwith due and payable to the extent permitted by law without presentment, demand, protest or further

notice of any kind, all of which are hereby expressly waived by the District; *provided*, *however*, payment by the District is to be made when such amounts are declared due and payable, from the District's ad valorem debt service tax revenues lawfully available for such purpose, but to the extent the District determines such funds are not available, shall not be due and payable prior to February 1 of the calendar year immediately following the date the Board next adopts an order levying ad valorem taxes for the payment thereof.

(c) Upon the occurrence of any Event of Default, interest shall be charged on the unpaid principal balance of the Notes and the Loan Note at the Default Rate commencing on the date on which the event occurred, after any applicable cure or grace period, giving rise to such Event of Default. Further, upon failure by the District to pay any other amount payable hereunder, such unpaid other amounts shall accrue interest at the Default Rate, commencing on the date on which the event occurred; *provided*, *however*, payment by the District of such additional interest due to the Bank shall be made when such amounts are due and payable, from the District's ad valorem debt service tax revenues lawfully available for such purpose, but to the extent the District determines such funds are not available, shall not be due and payable prior to February 1 of the calendar year immediately following the date the Board next adopts an order levying ad valorem taxes for the payment thereof.

(d) Upon the occurrence of a Default under Section 6.01(h) or (i) hereof prior to the expiration of the 60-day period described in such sections, the obligations of the Bank to purchase Notes hereunder shall be suspended and remain suspended until the case, proceeding, order, or other action referred to such section is either dismissed or stayed within sixty (60) days from the commencement of such case, proceeding, order, or other action or the termination of this Available Commitment occurs, whichever is first. In the event such case, proceeding, order or other action is terminated prior to the 60-day period, the obligations of the Bank to make purchase Notes hereunder shall be reinstated and the terms of this Agreement will continue in full force and effect (unless the obligations of the Bank to purchase Notes hereunder shall have otherwise expired or terminated in accordance with the terms hereof or there has occurred an Event of Default under another clause of Section 6.01) as if there had been no such suspension.

(e) Failure to take action in regard to one or more Defaults or Events of Default shall not constitute a waiver of, or the right to take action in the future in regard to, such or subsequent Defaults or Events of Default.

Section 6.03. Suits at Law or in Equity and Mandamus. In the case one or more Events of Default shall occur, then and in every such case the Holders of the Notes shall be entitled to proceed to protect and enforce such Holders' rights by such appropriate judicial proceeding as such Holder shall deem most effectual to protect and enforce any such right, either by suit, in equity, or by action at law, whether for the specific performance of any covenant or agreement contained in this Agreement, or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the Holder by this Agreement or the Notes, the Order or by law. The provisions of this Agreement shall be a contract with each and every Holder and the duties of the District may be enforceable by

any Holder by mandamus or other appropriate suit, action, or proceeding in any court of competent jurisdiction.

Section 6.04. Cross Defaults. If there shall be an event of default under any other document authorizing the issuance of any general obligation bonds by the District, the District shall not issue any additional Notes until such event of default is cured or remedied.

Section 6.05. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Bank or the Holders is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised at any time or from time to time, and as often as may be necessary, by the Bank or any Holder.

ARTICLE VII

MISCELLANEOUS

Section 7.01. Net of Taxes, Etc.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of the District hereunder or under any other Related Document shall to the extent permitted by Applicable Law be made free and clear of and without reduction or withholding for any Taxes. If, however, Applicable Law requires the District or the Bank to withhold or deduct any Tax, such Tax shall be withheld or deducted in accordance with such Applicable Law as determined by the District or the Bank, as the case may be, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If the District or the Bank shall be required by the Code to withhold or deduct any Taxes, including both United States Federal backup withholding and withholding taxes, from any payment, then (A) the Bank shall withhold or make such deductions as it shall determine to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) the Bank shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the Code, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable by the District shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section) the Bank receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the District. Without limiting the provisions of subsection (a) above, the District shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with Applicable Law.

(c) Tax Indemnifications.

(i) Without limiting the provisions of subsection (a) or (b) above, the District shall, and does hereby, to the extent permitted by the Laws of the State of Texas, indemnify the Bank and shall make payment in respect thereof within 30 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) withheld or deducted by the District or the Bank, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of any such payment or liability delivered to the District by the Bank shall be conclusive absent manifest error.

(ii) Without limiting the provisions of subsection (a) or (b) above, the Bank shall, and does hereby, indemnify the District, and shall make payment in respect thereof within 30 days after written demand therefor, against any and all Taxes and any and all related losses, claims, liabilities, penalties, interest and expenses (including the fees, charges and disbursements of any counsel for the District) incurred by or asserted against the District by any Governmental Authority as a result of the failure by the Bank to deliver, or as a result of the inaccuracy, inadequacy or deficiency of, any documentation required to be delivered by Bank to the District pursuant to subsection (e).

(d) Evidence of Payments. Upon request by the District or the Bank, as the case may be, after any payment of Taxes by the District or by Bank to a Governmental Authority as provided in this Section 7.01, the District shall deliver to the Bank or the Bank shall deliver to the District, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Applicable Law to report such payment or other evidence of such payment reasonably satisfactory to the District or the Bank, as the case may be.

(e) Status of Bank; Tax Documentation.

(i) Bank shall deliver to the District, at the time or times prescribed by Applicable Law or when reasonably requested by the District, such properly completed and executed documentation prescribed by Applicable Law or by the taxing authorities of any jurisdiction and such other reasonably requested information as will permit the District to determine (A) whether or not payments made hereunder or under any other

Related Document are subject to Taxes, (B) if applicable, the required rate of withholding or deduction, and (C) the Bank's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of all payments to be made to the Bank by the District pursuant to this Agreement or otherwise to establish Bank's status for withholding tax purposes in the applicable jurisdiction.

(ii) Without limiting the generality of the foregoing, if the District is resident for tax purposes in the United States, the Bank shall deliver to the District executed originals of Internal Revenue Service Form W-9 or such other documentation or information prescribed by applicable Laws or reasonably requested by the District as will enable the District to determine whether or not the Bank is subject to backup withholding or information reporting requirements.

(iii) Bank shall promptly (A) notify the District of any change in circumstances which would modify or render invalid any claimed exemption or reduction, and (B) take such steps as shall not be materially disadvantageous to it, in the reasonable judgment of the Bank, and as may be reasonably necessary (including the re designation of its Lending Office) to avoid any requirement of Applicable Laws of any jurisdiction that the District make any withholding or deduction for taxes from amounts payable to the Bank.

(f) Survival. All of the District's obligations under this Section 7.01 shall survive termination of the Commitment and repayment of all other Obligations hereunder and under the Fee Agreement

Section 7.02. Increased Costs.

(a) In the event that after the date of the execution hereof any Change in Law shall either:

(i) limit the deductibility of interest on funds obtained by the Bank to pay any of its liabilities or subject the Bank to any tax, duty, charge, deduction or withholding on or with respect to payments relating to the Notes or any Banking Arrangements, or any amount paid or to be paid by the Bank hereunder or under the Fee Agreement (other than any tax measured by or based upon the overall net income of the Bank imposed by any jurisdiction having control over the Bank);

(ii) impose, modify, require, make or deem applicable to the Bank any reserve requirement, capital requirement, special deposit requirement, insurance assessment or similar requirement against any assets held by, deposits with or for the account of, or loans or commitments by, a domestic office of the Bank;

(iii) change the basis of taxation of payments due the Bank under this Agreement, the Fee Agreement, the Notes, the Loan Note or any Banking

Arrangements (other than by a change in taxation of the overall net income of the Bank); or

(iv) impose upon the Bank any other condition with respect to any amount paid or payable to or by the Bank or with respect to this Agreement, the Fee Agreement, the Notes, the Loan Note or any Banking Arrangements;

(v) and the result of any of the foregoing shall be to increase the cost to the Bank of extending, issuing or maintaining any of the Banking Arrangements or to reduce any amount (or the effective return on any amount) received or receivable by the Bank in connection with the Banking Arrangements (which increase in cost or reduction in yield shall be the result of the Bank's reasonable allocation, in a nondiscriminatory manner among borrowers having obligations to the Bank similar to those of the District, of the aggregate of such cost increases or yield reductions resulting from such event), then, to the extent permitted by law, the District shall pay to the Bank, from time to time as specified by the Bank, additional amounts which shall be sufficient to compensate the Bank for all such increased costs or reductions in yield and shall be paid to the Bank as provided for in clause (d) below.

(b) Capital Adequacy. If the Bank shall have determined that a Change in Law has or would have the effect of reducing the rate of return on capital of the Bank as a consequence of its obligations hereunder to a level below that which the Bank could have achieved but for such adoption, change or compliance (taking into consideration the policies of the Bank with respect to capital adequacy) by an amount deemed by the Bank to be material, upon written request of the Bank and to the extent permitted by law, the District shall pay to the Bank from time to time, as specified by the Bank, such additional amount or amounts as will compensate the Bank for such reduction from the date of such Change in Law together with interest on each such amount from the date payment is demanded until the earlier of the date of payment in full as provided in clause (c) below.

(c) Certificates for Reimbursement. All payments of amounts referred to in paragraphs (a) and (b) of this Section shall be due thirty (30) calendar days following the District's receipt of notice thereof. Interest on the sums due as described in paragraphs (a) and (b) of this Section 7.02, shall begin to accrue from the date when the payments were first due and shall otherwise be payable in accordance with Section 2.13 hereof; provided, that from and after the required date of payment, interest shall begin to accrue on such obligations at a rate per annum equal to the Default Rate until such delinquent payments have been paid in full. A certificate as to such increased cost, increased capital or reduction in return incurred by the Bank as a result of any event mentioned in this Section 7.02 setting forth, in reasonable detail, the basis for calculation and the amount of such calculation shall be submitted by the Bank to the District and shall be conclusive (absent manifest error) as to the amount thereof. In making the determinations contemplated by the above referenced certificate, the Bank may make such reasonable estimates, assumptions, allocations and the like that the Bank in good faith determines to be appropriate.

(d) Notwithstanding anything contained in Section 7.02, the District shall have no liability to the Bank for any increased costs, increased capital or reduction in return to the extent incurred by the Bank more than one (1) year prior to the date the above described certificate is given to the District with respect thereto (the "Cut-Off-Date"), except where (A) the Bank, through no fault of its own (including dereliction of duty to know), had no actual knowledge of the action resulting in such increased costs as of the Cut-Off-Date or (B) such increased costs apply to the Bank retroactively to a date prior to the Cut-Off-Date. If the Bank shall impose increased costs pursuant to this Section 7.02 then the District shall be able to terminate this agreement as provided in Section 2.10 hereof; provided however, such termination shall be permitted without payment of a Termination Fee.

(e) Survival. All of the District's obligations under this Section 7.02 shall survive termination of the Commitment and repayment of all other Obligations hereunder and under the Fee Agreement.

Section 7.03. Notices and Accounts. Except as otherwise provided herein, all notices, requests, and other communications to any party hereunder shall be in writing (including telecopy, bank wire, or similar writing) and shall be given to such party at its address set forth on the signature pages hereof or such other address (physical or electronic) or telecopy number as such party may hereafter specify for the purpose of giving notice. Each such notice, request or other communication shall be effective (i) if given by telecopy, when such telecopy is transmitted to the telecopy number hereafter specified by any party for the purpose of giving notice and the appropriate acknowledgment is received, (ii) if given by mail, 72 hours after such communication is deposited in the United States mail with first class postage prepaid, addressed as aforesaid, or (iii) if given by any other means, when delivered at the address specified in this Section; *provided*, *however*, that notices to the Bank under Article II hereof shall not be effective until received. Notices to other parties shall be given at the following addresses or telecopy numbers or such other address or telecopy number hereinafter specified by such parties:

If to the District:

Fort Bend Independent School District
16431 Lexington Boulevard
Sugar Land, Texas 77479
Attention: Mr. Bryan Guinn
Chief Financial Officer
Telephone: (281) 634-5048
Email: Bryan.Guinn@fortbendisd.com

With a copy to: Suzanne.Owen@fortbendisd.com

If to the Bank:

All Notices, Information required under Section 5.01 and a copy of each Request for Purchase:

JPMorgan Chase Bank, National Association
383 Madison Avenue, Floor 3
Mail Code: NY1-M165
New York, NY 10179
Attention: Public Finance, Justin Wahn
Telephone: (212) 270-3813
Facsimile: (917) 456-3564
E-mail: justin.d.wahn@jpmorgan.com

Each Request for Purchase/Continuation and a copy of each other Notice:

JPMorgan Chase Bank, National Association
JPM-Delaware Loan Operations
500 Stanton Christiana Road, NCC5, Floor 01
Newark, DE 19713-2107
Attention: Contact Name – PFG Servicing
Telephone: Contact Number – 302-634-9588
Email/Fax: PFG_Servicing@jpmorgan.com

In each case, with a copy to:
E-mail: public.finance.notices@jpmorgan.com

If to S&P:

S&P Global Ratings
25 Broadway
New York, New York 10004
Attention: Municipal Commercial Paper Ratings
Telephone: (212) 208-1811
Telecopy: (212) 412-0506

If to Fitch:

Fitch Ratings, Inc.
33 Whitehall Street
New York, New York 10004
Attention: Public Finance

Section 7.04. No Waivers. No failure or delay by the Bank or other Holders in exercising any right, power, or privilege hereunder or under the Notes, the Agreement, the Order or otherwise shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power,

or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 7.05. Expenses. The District shall pay (i) to the Bank all reasonable out-of-pocket expenses of the Bank, including the costs of legal counsel to the Bank, in connection with the preparation of this Agreement as set forth in the Fee Agreement, (ii) the reasonable fees and disbursements of counsel to the Bank with respect to advising the Bank as to the rights and responsibilities under this Agreement and the Related Documents after the occurrence of a Default or an Event of Default, and (iii) all reasonable costs and expenses, if any, in connection with any amendment, modifications or waivers of the provisions hereof or the enforcement of this Agreement and any other documents which may be delivered in connection herewith or therewith, including in each case the reasonable fees and disbursements of counsel to the Bank. In addition, the District shall pay any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution, delivery, filing, and recording of this Agreement and the security described in the Related Documents and agrees, to the extent permitted by law, to hold the Bank harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such taxes and fees. Additionally, the District agrees, to the extent permitted by applicable law, to pay, after the occurrence of an Event of Default, all costs and expenses (including, without limitation, attorneys' fees, costs of settlement and out-of-pocket travel expenses) incurred by the Bank in enforcing any obligations or in collecting any payments due from the District hereunder by reason of such Event of Default or in connection with any refinancing or restructuring of the credit arrangements provided under this Agreement in the nature of a "workout" or of any insolvency or bankruptcy proceedings. The amounts set forth in (i) and (ii) above are payable within 30 days of receipt by the District of an invoice of such fees and expenses (following final execution of this Agreement).

Section 7.06. Amendments or Modification. Any provision of this Agreement may be amended or modified if, but only if, such amendment or modification is in writing and is signed by the District and the Bank. No amendment or modification shall, unless in writing and signed by all parties, do any of the following: (a) reduce the principal of, or interest on the Notes or reduce any fees or amounts payable to the Bank hereunder, (b) postpone any date fixed for any payment of principal of any Notes or any fees or other amounts payable to the Bank hereunder. No amendment, waiver or consent shall, unless in writing and signed by the Bank, affect the rights or duties of the Bank under this Agreement or any Related Document.

Section 7.07. Severability. Any provision of this Agreement which is prohibited, unenforceable, or not authorized shall be ineffective to the extent of such prohibition, unenforceability, or nonauthorization without invalidating the remaining provisions hereof.

Section 7.08. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

Section 7.09. Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto

and hereto were upon the same instrument. Complete sets of counterparts shall be lodged with the District and the Bank.

Section 7.10. Payments. All payments made or advanced under this Agreement shall be in United States currency only.

Section 7.11. Governing Laws. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Texas; provided, however, that the obligations of the Bank under this Agreement shall be governed by the laws of the State of New York.

Section 7.12. Successor and Assigns, Participation. (a) The Bank's rights and obligations under this Agreement may not be assigned by the Bank, other than by operation of law to a successor or merged institution, unless the District has given its consent to such assignment, which consent shall be evidenced by a writing signed by an Authorized Official and shall not be unreasonably withheld. If such conditions have been satisfied and the assignor and assignee have consummated the assignment, then (i) the assignee shall be a Bank for all purposes hereunder; (ii) the assignor shall have no further obligation hereunder with respect to the assigned portion of the Commitment; (iii) the assignor shall deliver its Notes to the District; (iv) the District shall pay the assignor all unpaid accrued interest on the Notes; and (v) the District shall execute and deliver to the assignee new Notes, payable to the order of the assignee, dated the date of such assignment and in the maximum principal amount of the assignee's portion of the Notes. The District may not assign its rights or obligations under this Agreement, the Notes or the Fee Agreement.

(b) The District agrees that the Bank may enter into participation agreements with participants upon giving written notice to, but without the consent of, the District. Accordingly, the District confirms that all of its representations, warranties, covenants, certifications, and obligations under this Agreement, the Fee Agreement, the Loan Note and the Notes, as well as all rights under the lien and pledge securing the payment of the Notes and granted to the Bank pursuant to the Order and Section 2.14 of this Agreement, are for the benefit of the participants as well as for the benefit of the Bank. No assignee, participant, or other transferee of the Bank's rights shall be entitled to receive any greater payment under Section 7.01 or 7.02 than the Bank would have been entitled to receive with respect to the rights transferred, unless such transfer is made with the District's prior written consent to that effect. In the event of any such grant by the Bank of a participation to a participant, the Bank shall remain responsible for the performance of its obligations hereunder and the District shall continue to deal solely and directly with the Bank. No such participation shall release or relieve the Bank of its obligations hereunder. The Bank shall make all Advances with its own funds whether or not it has entered into participation agreements.

(c) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, participants to the extent provided in subsection (b) of this Section and, to the

extent expressly contemplated hereby, the related parties of the Bank) any legal or equitable right, remedy or claim under or by reason of this Agreement.

Section 7.13. Liability of the Bank. NEITHER THE BANK NOR ANY OF ITS OFFICERS OR DIRECTORS SHALL BE LIABLE OR RESPONSIBLE FOR (A) THE USE WHICH MAY BE MADE OF ANY MONEY MADE AVAILABLE BY THE BANK IN ACCORDANCE WITH THIS AGREEMENT OR FOR ANY ACTS OR OMISSIONS OF THE ISSUING AND PAYING AGENT IN CONNECTION THEREWITH; (B) THE VALIDITY, SUFFICIENCY, OR GENUINENESS OF ANY DOCUMENTS, DETERMINED IN GOOD FAITH BY THE BANK TO BE VALID, SUFFICIENT OR GENUINE, OR OF ANY ENDORSEMENT(S) THEREON, EVEN IF SUCH DOCUMENTS SHOULD IN FACT PROVE TO BE IN ANY OR ALL RESPECTS INVALID, INSUFFICIENT, FRAUDULENT, OR FORGED; (C) PAYMENT BY THE BANK AGAINST PRESENTATION OF DOCUMENTS DETERMINED IN GOOD FAITH BY THE BANK TO BE VALID, SUFFICIENT OR GENUINE, WHICH DO NOT STRICTLY COMPLY WITH THE TERMS OF THIS AGREEMENT; OR (D) ANY OTHER CIRCUMSTANCES WHATSOEVER IN MAKING OR FAILING TO MAKE PAYMENT UNDER THIS AGREEMENT, EXCEPT ONLY THAT THE DISTRICT SHALL HAVE A CLAIM AGAINST THE BANK, AND THE BANK SHALL BE LIABLE TO THE DISTRICT, TO THE EXTENT, BUT ONLY TO THE EXTENT, OF ANY DIRECT, AS OPPOSED TO CONSEQUENTIAL OR PUNITIVE, DAMAGES SUFFERED BY THE DISTRICT WHICH THE DISTRICT PROVES WERE CAUSED BY THE BANK'S NEGLIGENT OR WILLFUL FAILURE TO PAY UNDER THIS AGREEMENT AFTER THE PRESENTATION TO THE BANK OF DOCUMENTS STRICTLY COMPLYING WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT. IN FURTHERANCE, AND NOT IN LIMITATION OF THE FOREGOING, THE BANK MAY ACCEPT DOCUMENTS THAT APPEAR ON THEIR FACE TO BE IN ORDER WITHOUT RESPONSIBILITY FOR FURTHER INVESTIGATION UNLESS THE BANK HAS RECEIVED ACTUAL NOTICE OR INFORMATION TO THE CONTRARY.

Section 7.14. Indemnification. IN ADDITION TO ANY AND ALL RIGHTS OF REIMBURSEMENT, INDEMNIFICATION, SUBROGATION, OR ANY OTHER RIGHTS PURSUANT HERETO OR UNDER LAW OR EQUITY, THE DISTRICT HEREBY AGREES, TO THE EXTENT PERMITTED BY LAW, TO INDEMNIFY AND HOLD HARMLESS THE BANK AND ITS OFFICERS, DIRECTORS, AND AGENTS (THE "*INDEMNIFIED PARTIES*") FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, LOSSES, LIABILITIES, REASONABLE COSTS, OR REASONABLE EXPENSES WHATSOEVER (INCLUDING REASONABLE ATTORNEYS' FEES OF COUNSEL FOR THE INDEMNIFIED PARTIES THAT IS NOT AN EMPLOYEE OF AN INDEMNIFIED PARTY OR AN AFFILIATE) WHICH THEY MAY INCUR (OR WHICH MAY BE CLAIMED AGAINST THEM BY ANY PERSON OR ENTITY WHATSOEVER) AS A RESULT OF (A) ANY UNTRUE STATEMENT OR ALLEGED UNTRUE STATEMENT OF ANY MATERIAL FACT CONTAINED OR INCORPORATED BY REFERENCE IN THE INFORMATION SUPPLIED BY THE DISTRICT TO THE BANK IN CONNECTION WITH THE PERFORMANCE OF ITS DUTIES UNDER THIS AGREEMENT OR THE RELATED DOCUMENTS, INCLUDING ANY DISCLOSURE DOCUMENT, OR THE OMISSION OR ALLEGED OMISSION TO STATE IN SUCH INFORMATION A MATERIAL FACT NECESSARY TO MAKE SUCH STATEMENTS, IN THE LIGHT OF CIRCUMSTANCES UNDER WHICH THEY ARE OR WERE MADE, NOT MISLEADING; OR (B) THE EXECUTION AND DELIVERY AND PERFORMANCE OF THIS AGREEMENT AND THE NOTES AND THE TRANSACTIONS DESCRIBED HEREIN OR THEREIN OR PAYMENT OR FAILURE TO PAY HEREUNDER; *PROVIDED*, *HOWEVER*, THAT THE DISTRICT SHALL NOT BE REQUIRED TO INDEMNIFY ANY INDEMNIFIED PARTY FOR ANY CLAIMS, DAMAGES, LOSSES, LIABILITIES, COSTS, OR EXPENSES TO THE EXTENT, BUT ONLY TO THE EXTENT, CAUSED BY THE INDEMNIFIED PARTY'S NEGLIGENCE OR WILLFUL MISCONDUCT. NOTHING UNDER THIS SECTION

IS INTENDED TO LIMIT THE DISTRICT'S PAYMENT OBLIGATIONS CONTAINED ELSEWHERE IN THIS AGREEMENT. THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

Section 7.15. Emailed Documents. At the request of the District, this Agreement provides that demands for payment hereunder may be presented to the Bank by, among other methods, email. The District acknowledges and assumes all risks relating to the use of such emailed demands for payment (i) which are emailed by the District or Issuing and Paying Agent by an authorized representative of such party.

Section 7.16. Term of the Agreement. The term of this Agreement shall be until the payment in full of all principal of and interest on the Notes and the Loan Note and all other amounts payable under this Agreement and the Fee Agreement; *provided*, *however*, that notwithstanding any termination of this Agreement, the provisions of Sections 7.01, 7.02, 7.04, 7.05, 7.12, 7.13 and 7.18 shall survive payment of the Notes and the other obligations hereunder and under the Fee Agreement and shall remain in full force and effect.

Section 7.17. Entire Agreement. THIS AGREEMENT AND THE RELATED DOCUMENTS CONSTITUTE THE ENTIRE AGREEMENT BETWEEN THE PARTIES HERETO WITH RESPECT TO THE TRANSACTIONS CONTEMPLATED HEREBY AND SUPERSEDE AND ARE IN FULL SUBSTITUTION FOR ANY AND ALL PRIOR AGREEMENTS AND UNDERSTANDINGS BETWEEN SAID PARTIES RELATING TO SUCH TRANSACTIONS.

THIS AGREEMENT AND THE RELATED DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN AGREEMENTS BETWEEN THE PARTIES.

Section 7.18. Waiver of Jury Trial. This Section concerns the resolution of any controversies or claims between the parties, whether arising in contract, tort, or by statute, including but not limited to, controversies or claims that arise out of or relate to: (i) this Agreement (including any renewals, extensions, or modifications); or (ii) any Related Document (collectively, a "*Claim*"). For the purposes of this provision only, the term "parties" shall include any parent corporation, subsidiary, or affiliate of the bank involved in the servicing management, or administration of any obligation described or evidenced by this Agreement and the Related Documents. TO THE EXTENT PERMITTED BY LAW, THE PARTIES IRREVOCABLY AND VOLUNTARILY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY CLAIM. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THIS AGREEMENT.

Section 7.19. Patriot Act. The Lender is subject to the Patriot Act (as hereinafter defined) and hereby notifies the District that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Bank is required to obtain, verify, and record information that identifies the District which information includes the name and address of the District and other information that will allow the Bank to identify the District in accordance with the Patriot Act.

Section 7.20. Right of Setoff. If an Event of Default shall have occurred and be continuing, the Bank and its Affiliates are hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by the Bank or any such affiliate to or for the credit or the account of the District or any other party against any and all of the obligations of the District or such party now or hereafter existing under this Agreement or any other Related Document to the Bank, irrespective of whether or not the Bank shall have made any demand under this Agreement or any other Related Document and although such obligations of the District or such party may be contingent or unmatured or are owed to a branch or office of the Bank different from the branch or office holding such deposit or obligated on such indebtedness. The rights of the Bank and its affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that the Bank or its affiliates may have. The Bank agrees to notify the District promptly after any such setoff and application, *provided* that the failure to give such notice shall not affect the validity of such setoff and application. The Bank's right of set off under this Section 7.20 shall not apply to the District's CIGNA Flexible Spending Account and CIGNA Health Plan Account.

Section 7.21. Payments Set Aside. To the extent that any payment by or on behalf of the District is made to the Bank, or the Bank exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Bank in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred.

Section 7.22. Assignment to Federal Reserve Bank. The Bank may assign and pledge all or any portion of the obligations owing to it hereunder, under the Notes, the Loan Note or under the Fee Agreement to any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any Operating Circular issued by such Federal Reserve Bank, *provided* that any payment in respect of such assigned obligations made by the District to the Bank in accordance with the terms of this Agreement shall satisfy the District's obligations hereunder in respect of such assigned obligation to the extent of such payment. No such assignment shall release the Bank from its obligations hereunder.

Section 7.23. No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Related Document), the District acknowledges and agrees that: (i) (A) the arranging and other services regarding this Agreement provided by the Bank are arm's length commercial transactions between the District, on the one hand, and the Bank on the other hand, (B) the District has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the District is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Related Documents; (ii)

(A) the Bank has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor (including as a municipal advisor), agent or fiduciary for the District, or any other Person and (B) the Bank does not have any obligation to the District with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Related Documents; and (iii) the Bank and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the District, and the Bank does not have any obligation to disclose any of such interests to the District. To the fullest extent permitted by laws of the State of Texas, the District hereby waives and releases any claims that it may have against the Bank with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

Section 7.24. Dealing with the District. The Bank and its Affiliates may accept deposits from, extend credit to and generally engage in any kind of banking, trust or other business with the District regardless of the capacity of the Bank hereunder.

Section 7.25. Counterparts/Electronic Signature.

This Amendment may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument. The parties agree that the electronic signature of a party to this Amendment shall be as valid as an original signature of such party and shall be effective to bind such party to this Amendment. The parties agree that any electronically signed document (including this Amendment) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or "printouts," if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, "electronic signature" means a manually signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a "pdf" (portable document format) or other replicating image attached to an e mail message; and "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

Section 7.26. Acknowledgement Regarding Any Supported QFCs.

To the extent that this Agreement provides support, through a guarantee or otherwise, for Swap Agreements or any other agreement or instrument that is a QFC (such support "QFC Credit Support" and each such QFC a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below

applicable notwithstanding that the Related Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Related Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Related Documents were governed by the laws of the United States or a state of the United States.

ARTICLE VIII

BANK REPRESENTATIONS

Section 8.01. Bank Representations Regarding Form 1295. The Bank hereby certifies that as a publicly traded business entity or a wholly owned subsidiary of such an entity it is exempt under Section 2252.908(c)(4) of the Texas Government Code..

Section 8.02. Bank Representation as to Purchase of Notes.

(a) The Bank is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and has the power and authority to enter into this Agreement and perform its obligations hereunder.

(b) The Bank has the corporate power, and has taken all necessary corporate action, to authorize the Agreement and to execute and deliver the Agreement and to perform its obligations under this Agreement in accordance with its terms.

(c) This Agreement has been duly executed and delivered by one or more of its duly authorized officers and is its legal, valid and binding obligation, enforceable in accordance with its terms.

(d) The Bank has sufficient knowledge and experience in business and financial matters in general, and investments such as the Notes in particular, to enable the Bank to evaluate the merits and the risks of the Notes, the credit of the District, the collateral and the terms of the Notes, and that the Bank has made its own independent credit analysis and decision to purchase the Notes based an independent examination and evaluation of the transaction and the information deemed appropriate.

(e) The Bank acknowledges that no credit rating has been sought or obtained with respect to the Notes.

(f) The Bank acknowledges that no official statement has been prepared for the Notes, and that the District will not be entering into a continuing disclosure agreement to provide ongoing disclosure respecting the Notes. The Bank has had an opportunity to make inquiries of, and receive answers from, such officers, employees, agents and attorneys of the District and has been offered copies of or full access to all documents relating to the Notes and all records, reports, financial statements and other information concerning the District pertinent to the source of payment for the Notes as deemed material by the Bank, which the Bank as a reasonable investor, has requested and to which the Bank, as a reasonable investor, would attach significance in making an investment decision.

(g) The Bank certifies that, as of the date hereof, it is a "qualified institutional buyer" as defined in Rule 144A promulgated under the Securities Act of 1933, as amended (the "Act").

(h) The Bank confirms that its investment in the Notes constitutes an investment that is suitable for and consistent with its investment program and that the Bank is able to bear the economic risk of an investment in the Notes, including a complete loss of such investment.

(i) The Bank is purchasing the Notes solely for its own account for investment purposes only, and not with a view to, or in connection with, any distribution, resale, pledging, fractionalization, subdivision or other disposition thereof (subject to the understanding that disposition of Bank's property will remain at all times within its control), and agrees not to sell or otherwise transfer the Notes except to a transferee in compliance the terms and conditions of Section 6 of the Order.

(j) The Bank understands that the Notes (i) has not been registered under the Act, and (ii) has not been registered or qualified under any state securities or "Blue Sky" laws, and that the Order has not been qualified under the Trust Indenture Act of 1939, as amended.

Section 8.03. Bank as Paying Agent/Registrar. The Bank hereby agrees to serve as Issuing and Paying Agent, Paying Agent and Registrar for the Notes under the Order and, in such capacities, agrees to comply with the applicable provisions of the Order and with the requirements of Texas Government Code, Chapter 1203 that result from such service in such capacity for the Notes.

Section 8.04. Texas Government Code Section 2271.002 (No Boycott of Israel) Verifications.

The Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent the Agreement is a contract for goods or services, will not boycott Israel during the term of the Agreement. The

foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. As used in this Section the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

Section 8.05. Texas Government Code Section 2252.152 (Sanctioned Company) Verifications.

The Bank hereby represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended, and posted on any of the following pages of such officer's internet website:

https://comptroller.texas.gov/purchasing/publications/divestment.php.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. As used in this Section the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

Section 8.06. Section 2274.002 Texas Government Code (No Discrimination Against Fossil-Fuel Companies) Verifications.

To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to enable the District to comply with such Section and to the extent such Section does not contravene applicable federal law or the Texas Constitution. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does

not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above. As used in this Section, the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit."

Section 8.07. Section 2274.002 Texas Government Code (No Discrimination Against Firearm Entities and Firearm Trade Associations) Verifications.

To the extent the Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session ("SB 19")), Texas Government Code, as amended, the Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. The foregoing verification is made solely to enable the District to comply with such Section and to the extent such Section does not contravene applicable federal law or the Texas Constitution. As used in this Section, the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

As used in the foregoing verification and the following definitions,

a. 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by SB 19), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association,

b. 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by SB 19), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by SB 19, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by SB 19, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are

not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by SB 19, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

c. 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by SB 19), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

As used in this Section, the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

Section 8.08. Attorney General Standing Letter.

In addition to the verifications provided above, the Bank verifies that a standing letter has been filed with the Office of the Texas Attorney General with respect to the verifications, representations and covenants in Sections 8.04 through 8.07 made by the Bank, as required by the procedural rules of the Texas Attorney General, and such letter remains in effect as of the Effective Date of this Agreement.

Section 8.09. Bank Consent. The Bank hereby consents to adoption of the Order.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

JPMorgan Chase Bank, National Association

By _____
Name: Justin Wahn
Title: Executive Director

EXHIBIT A

FORM OF PURCHASE REQUEST

[DATE]

JPMorgan Chase Bank, National Association
JPM-Delaware Loan Operations
500 Stanton Christiana Road, NCC5, Floor 01
Newark, DE 19713-2107
Attention: Contact Name – PFG Servicing
Telephone: Contact Number – 302-634-9588
Email/Fax: PFG_Servicing@jpmorgan.com

JPMorgan Chase Bank, National Association
383 Madison Avenue, Floor 3
Mail Code: NY1-M165
New York, NY 10179
Attention: Public Finance, Justin Wahn
Telephone: (212) 270-3813
Facsimile: (917) 456-3564
E-mail: justin.d.wahn@jpmorgan.com

Copy:
E-mail: public.finance.notices@jpmorgan.com

Re: Fort Bend Independent School District (the "District") Unlimited Tax Commercial Paper Notes, Series B (the "Notes") and the Amended and Restated Note Purchase Agreement dated July 24, 2023 (but effective as of _____, 2023) (the "Agreement") between the District and JPMorgan Chase Bank, National Association (the "Purchaser")

Ladies and Gentlemen:

The District hereby requests that the Purchaser purchase Notes in the amount of $[_____] on [_____] (the "Purchase Date") pursuant to the Agreement, such amount to be [deposited to the District's account number _____ with the Purchaser/transferred as follows [specify payment instructions]]. The District requests [1-month/3-month/6-month] SOFR and for the Notes to mature on _____, 20___. The District hereby requests that the Purchaser use its best efforts to make such purchase no later than 11:00 a.m. on the Purchase Date. The Notes shall be dated the Purchase Date. The Notes shall be [exchange Notes to repay Outstanding Notes/new money Notes]. Capitalized terms used herein and not defined shall have the meanings assigned in the Agreement.

The District hereby represents and warrants that:

(a) no Event of Default has occurred and is continuing under the Agreement;

(b) the Purchase Date meets the requirements of Section 2.01 and 3.01 of the Agreement;

(c) the amount of the purchase does not exceed the Commitment Amount less the sum of all previous purchases made under the Agreement; and

(d) all representations and warranties of the District in the Agreement are true and correct and are deemed to be made on the date hereof.

When the Notes are purchased, please provide confirmation of such purchase to the undersigned, with copies to the District at the electronic mail addresses specified below.

JPMorgan Chase Bank, National Association, as Calculation Agent, is requested to determine the interest rate for the Notes and to advise the District of such interest rate via the electronic email addresses specified below.

Please advise if the foregoing terms are acceptable.

Very truly yours,

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Name _____
Title _____

bryan.guinn@fortbendisd.com
Suzanne.Owen@fortbendisd.com
kelly.schlacks@fortbendisd.com

EXHIBIT B

CLOSING REPRESENTATIONS AS REQUIRED BY SECTION 3.01 (C) OF THE NOTE PURCHASE AGREEMENT

I, the undersigned Authorized Official, acting on behalf of the Fort Bend Independent School District (the "*District*"), pursuant to the Amended and Restated Note Purchase Agreement, dated as of July 24, 2023 (but effective as of _____, 2023), by and between the District and JPMorgan Chase Bank, National Association (the "*Agreement*"), defined terms of which are herein incorporated by reference, do hereby certify as follows:

1. (a) Each of the representations and warranties of the District contained in the Agreement is true and correct in all material respects on and as of the date hereof as though made on and as of this date, and (b) as of the date hereof no Default or Event of Default has occurred or is continuing;

2. Except as heretofore disclosed by the District or as disclosed in the Offering Memorandum for the Series A Commercial Paper Notes dated _____, 2023 (the "Offering Memorandum"), no litigation is pending in any court or, to my knowledge, pending or threatened in any court to restrain or enjoin the issuance or delivery of the Fort Bend Independent School District Unlimited Tax Commercial Paper Notes, Series B (the "*Commercial Paper Notes*") or the collection of the revenues and assets of the District pledged or to be pledged to pay the principal of and interest on the Commercial Paper Notes or the pledge thereof, or in any way contesting or affecting the validity of the Commercial Paper Notes, the Order, or the Agreement, or contesting the powers of the District or contesting the authorization of the Commercial Paper Notes or the Order;

3. There has not been any material and adverse change in the affairs or financial condition or operations of the District from that described in the Offering Memorandum;

4. All conditions to the Effective Date in the Agreement have been met.

WITNESS MY HAND this ___ Day of _____ 2023.

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

EXHIBIT C

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

[TO COME]

EXHIBIT D

FORM OF EXPIRATION DATE EXTENSION REQUEST

[Date]

JPMorgan Chase Bank, National Association
_____

_____
Attention: _____
Telecopy: _____

Re: Fort Bend Independent School District
Unlimited Tax Commercial Paper Notes, Series B
Expiration Date Extension Request

Ladies and Gentlemen:

Pursuant to Section 2.16 of that certain Amended and Restated Note Purchase Agreement, dated as of July 24, 2023 (but effective as of _____, 2023), (the "Agreement") between the Fort Bend Independent School District (the "*District*") and the Bank, the District requests that the Expiration Date (as defined in the Note Purchase Agreement) be extended to _____.

Very truly yours,

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

EXHIBIT E

FORM OF NO DEFAULT CERTIFICATE

_____, 20___

_____, 20___

JPMorgan Chase Bank, National Association
_____

_____

Attention: _____
Telecopy: _____

Dear Sir or Madam:

In accordance with Section 5.01(b) of the Amended and Restated Note Purchase Agreement between the Fort Bend Independent School District and JPMorgan Chase Bank, National Association, dated as of July 24, 2023 (but effective as of _____, 2023), we have enclosed the No Default Certificate for the fiscal year ended June 30, 20__.

Very truly yours,

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

NO DEFAULT CERTIFICATE

AS REQUIRED BY SECTION 5.01(b) OF THE NOTE PURCHASE AGREEMENT

Fort Bend Independent School District and JPMorgan Chase Bank, N.A., executed and delivered that Amended and Restated Note Purchase Agreement (the "*Agreement*") dated as of July 24, 2023 (but effective as _____, 2023). Any term defined in the Agreement and used in this Certificate shall have the meaning ascribed to it in the Agreement.

I hereby certify that:

1. I am an Authorized Official.

2. The Board of Trustees for the Fort Bend Independent School District has kept, observed, performed and fulfilled, in all material respects, each and every of their obligations under the Agreement for the fiscal year ending June 30, 20__, and there exists no Default or Event of Default.

IN WITNESS WHEREOF, I have hereunto set my hand on the date set forth below.

Date: _____

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

Exhibit F
Form of Loan Note

Fort Bend Independent School District Commercial Paper Notes, Series B
Note Purchase Agreement
Loan Note

$150,000,000.00 _____, 2023

For value received, the Fort Bend Independent School District (the "*District*"), an independent school district within, and a political subdivision of, the State of Texas, promises to pay, solely from the funds hereafter referred to, to the order of JPMorgan Chase Bank, National Association (the "*Bank*"), at the address provided in the Agreement (hereinafter defined), the aggregate unpaid principal amount of all Term Loans hereunder and under the Agreement, not to exceed One Hundred Fifty Million Dollars ($150,000,000.00) in principal amount at any one time outstanding, made by the Bank to the District hereunder, in lawful money of the United States of America, in federal or other immediately available funds, and to pay interest at the rates set forth in the Agreement on the actual unpaid principal amount hereof for each day outstanding from the date hereof until this Loan Note is paid in full, in like money and funds at such office. Interest shall be payable on the dates and manner set forth in the Agreement. Principal on this Loan Note shall be payable on the dates and manner set forth in the Agreement.

This Loan Note is subject to prepayment all pursuant to the terms and under the conditions of the Amended and Restated Note Purchase Agreement, dated as of July 24, 2023 (but effective as of _____, 2023), between the District and the Bank (the "*Agreement*"), the terms of which are hereby incorporated by reference in this Loan Note). All terms used herein and not defined shall have the same meaning as in the Agreement. Reference is also made to the Agreement for provisions providing for additional interest and other amounts to be payable under certain circumstances. If the Holder enforces this Loan Note upon Default or the occurrence of an Event of Default, the District shall reimburse the Holder for reasonable costs and expenses incurred by the Holder in collection, including attorneys fees and expenses as set out in Section 7.05 of the Agreement. This Loan Note shall be construed under and governed by laws of the State of Texas but Chapter 346, Texas, Finance Code, as amended, shall not apply.

This Loan Note, including the interest hereon, is payable solely from and secured by a lien on and a pledge of the Collateral and certain other available funds and proceeds of the District, all as set forth in Section 2.14 of the Agreement and the Order (as defined in the Agreement). This Loan Note constitutes a general obligation of the District. Further reference is made to the Agreement

and the Order for the provisions relating to the security of this Loan Note and the duties and obligations of the District.

Made and executed as of the date and year first above written.

Fort Bend Independent School District

By _____
Authorized Official

AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT

dated as of July 24, 2023
(but effective as of _____, 2023)

between

FORT BEND INDEPENDENT SCHOOL DISTRICT

and

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION

relating to

FORT BEND INDEPENDENT SCHOOL DISTRICT
UNLIMITED TAX COMMERCIAL PAPER NOTES, SERIES A

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AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT

This Amended and Restated Revolving Credit Agreement (as amended, supplemented or otherwise modified from time to time, this "*Agreement*") is dated as of July 24, 2023 (but is effective as of August 17, 2023), and is between the FORT BEND INDEPENDENT SCHOOL DISTRICT (the "*District*") and JPMORGAN CHASE BANK, N.A. ("*Bank*").

RECITALS:

Pursuant to authority granted by the laws of the State of Texas, particularly the Act (as defined below), the District is empowered to issue obligations for the purpose of providing funds to pay Project Costs (as defined in the Act) of Eligible Projects (as defined in the Act);

Pursuant to the Act and the Order (as defined below) the District proposes to issue from time to time its notes under its Commercial Paper Program, in one or more series and in an aggregate amount at any one time outstanding not to exceed $150,000,000, the proceeds of which will be used to finance and refinance Eligible Projects under the Act;

This District and the Bank have previously entered into a Revolving Credit Agreement dated as of October 17, 2016 (but effective as of November 3, 2016), as amended by the First Amendment to Revolving Credit Agreement, dated as of the January 22, 2019 (but effective as of February 20, 2019), and the Second Amendment to Revolving Credit Agreement, dated as of February 4, 2021, (together, the "Prior Credit Agreement");

The District and the Bank previously extended the Final Date of the Prior Credit Agreement to November 1, 2025 pursuant to Section 2.10 of the Prior Credit Agreement;

The District and the Bank now desire to amend and restate the Prior Credit Agreement to consolidate amendments made a part of the Prior Credit Agreement and to recognize the additional voted authority from the District's election held on May 6, 2023;

The District has requested the Bank to support the District's notes issued from time to time under its Commercial Paper Program, in response to which the Bank, whether directly or through an affiliate, has agreed (i) by making available a revolving line of credit initially aggregating $161,095,891 (of an amount supporting the Commercial Paper Notes issued as "Series A" (herein, the "*Commercial Paper Notes*") in a principal amount up to of $150,000,000 and interest thereon at an interest rate of 10% per annum for a period of 270 days) and (ii) by agreeing to directly purchase when and as issued Commercial Paper Notes issued as "Series B" (the "*Series B Commercial Paper Notes*") pursuant to the terms of a separate note purchase agreement entered into by the parties thereto concurrently herewith (herein defined and described as the JPMorgan Note Purchase Agreement); provided, however, that the combined support for both Series A Notes and Series B Notes shall not exceed $150,000,000 in principal amount of such Commercial Paper Notes, plus applicable support for interest thereon as described herein and in the aforementioned JPMorgan Note Purchase Agreement;

The Bank is willing to make available a revolving line of credit for the purpose of providing liquidity support for the Series A Notes subject to the terms and conditions of this Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. In addition to other terms defined herein, unless the context shall indicate a contrary meaning or intent, the terms defined below, for all purposes of this Agreement or any agreement amendatory or supplemental hereto, shall be construed, are used and are intended to have the following meanings, to-wit:

"*Act*" shall mean, collectively, Chapter 45, Chapter 1207, and Chapter 1371.

"*Advance*" shall mean a loan made hereunder pursuant to Section 2.01(a) hereof.

"*Advance Maturity Date*" shall mean the Final Date.

"*Advance Rate*" means, for each day of determination with respect to any Advance, a rate per annum equal to (i) from and including the date such Advance is made through and including the date which is ninety (90) days immediately following the date such Advance is made, the Base Rate from time to time in effect, and (ii) from and after the ninety-first (91st) day immediately following the date such Advance is made, the sum of the Base Rate from time to time in effect *plus* 1.00%; *provided* that, immediately upon the occurrence and during the continuation of an Event of Default, the Advance Rate shall equal the Default Rate; *provided further* that at no time shall the Advance Rate be less than the highest per annum rate of interest applicable to any outstanding Commercial Paper Notes; *provided further* that at all times the Advance Rate shall be subject to the limitations of Section 2.04(c) hereof.

"*Agreement*" has the meaning set forth in the introductory paragraph hereof.

"Affiliate" means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"Anti-Corruption Laws" means all laws, rules and regulations of any jurisdiction applicable to the District from time to time concerning or relating to bribery or corruption.

"*Applicable Law*" shall mean all applicable provisions of all constitutions, statutes, rules, regulations, and orders of all governmental and non-governmental bodies, including, without limitation, the Act, all governmental approvals and all orders, judgments and decrees of all courts and arbitrators of competent jurisdiction. Whenever the Applicable Law of a particular jurisdiction is referred to in this Agreement, such reference shall be deemed to include the Applicable Law of all political subdivisions of such jurisdiction.

"*Authorized Official*" shall have the meaning assigned to such term in the Order.

"Available Commitment" shall mean, and in no event shall it exceed the Commitment, such initial amount adjusted from time to time as follows: (a) downward in an amount equal to the principal amount of any Loan and the amount of Series B Commercial Paper Notes purchased by the Bank from time to time pursuant to the JPMorgan Note Purchase Agreement; (b) downward by the amount of any reduction pursuant to Section 2.06 or 6.02 hereof; and (c) so long as the Revolving Credit Period has not terminated, upward in an amount equal to the principal amount of any Loan that is repaid pursuant to the terms hereof and the principal amount of any Series B Commercial Paper Notes repaid pursuant to the JPMorgan Note Purchase Agreement; provided, that, after giving effect to any such adjustment the Available Commitment shall never exceed $161,095,891. Any adjustments pursuant to clause (a), (b) or (c) above shall occur simultaneously with the event requiring such adjustment.

"*Bank*" has the meaning set forth in the introductory paragraph hereof.

"*Bank Agreement*" has the meaning set forth in Section 5.22 hereof.

"Banking Arrangements" means (a) the agreements of the Bank and the District set forth in this Agreement and the transactions described herein, including, without limitation, (i) any commitment to extend credit, to issue any credit or liquidity facility, to purchase any obligation of or for the benefit of the District, or to extend any other financial accommodation, (ii) any issuance, extension or maintenance of any of the foregoing, and (iii) any pledge, purchase or carrying of any obligation of or for the benefit of the District, and (b) any participation agreement or similar arrangement entered into in connection with the foregoing

"*Bank Note*" shall mean the promissory note evidencing Loans made by the Bank to the District, in substantially the form of Exhibit A attached hereto, with appropriate completions, and any and all renewals, extensions, or modifications thereof. The Bank Note is the Loan Note described in the Order.

"Base Rate" means, for any day, a rate per annum equal to the highest of (a) the Federal Funds Rate plus 2.00%, (b) the Prime Rate plus 1.50% and (c) seven and one half percent (7.50%).

"*Board*" shall mean the Board of Trustees of the District.

"*Bond Counsel*" shall mean and any firm or firms selected by the District whose opinion concerning bond matters is nationally recognized.

"*Business Day*" shall mean any day other than (i) a Saturday, Sunday or other day on which commercial banks located in the states of New York, Texas and such other location in which the office of the Bank at which a Notice of Loan is to be presented are authorized or required by law or executive order to close or (ii) a day on which the New York Stock Exchange is closed.

"Change in Law" means the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, statute, policy, interpretation, treaty, regulation, guideline or directive, (b) any change in any law, rule, statutes, policy, interpretation, treaty, regulation, guideline or directive or in the administration, promulgation, implementation,

enforcement, interpretation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline, policy, interpretation, treaty, regulation, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding the foregoing, any request, law, statute, rule, policy, interpretation, treaty, regulation, guideline or directive in connection with any Risk-Based Capital Guidelines, the Dodd-Frank Wall Street Reform and Consumer Protection Act, promulgated by the Bank of International Settlements, or the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) or arising in the administration, promulgation, implementation, enforcement, interpretation or application thereof, shall be deemed to be a Change of Law regardless of the date enacted, adopted, issued, promulgated or implemented

"*Chapter 45"* means Chapter 45, Texas Education Code, as amended.

"*Chapter 1207"* means Chapter 1207, Texas Government Code, as amended.

"*Chapter 1371"* means Chapter 1371, Texas Government Code, as amended.

"*Code*" shall mean the Internal Revenue Code of 1986, as amended, and when reference is made to a particular section thereof, the applicable Treasury Regulations from time to time promulgated or proposed thereunder.

"*Collateral*" shall mean the collateral described in Section 2.09 hereof.

"*Commercial Paper Notes*" has the meaning set forth in the Recitals hereof.

"*Commitment*" shall mean $161,095,891, as such amount may be reduced pursuant to Section 2.06 hereof, which amount is equal to the maximum principal amount of the Commercial Paper Notes in the amount of $150,000,000 (reduced by the principal amount of Series B Commercial Paper Notes purchased and held by the Bank, who is also obligated to purchase Series B Commercial Notes pursuant to the JPMorgan Note Purchase Agreement), and interest thereon at a maximum interest rate of 10% per annum for a period of 270 days, which amount shall be reduced if and to the extent that the authorized aggregate principal amount of the Commercial Paper Notes is reduced.

"*Commitment Fee*" has the meaning set forth in the Fee Agreement.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"*Controlled Group*" means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with the District or any subsidiary, are treated as a single employer under Section 414 of the Code.

"*Dealer*" shall mean the dealer or remarketing agent (one or more) selected from time to time by the District to market or remarket the Commercial Paper Notes in accordance with

Section 3.4 of the Order and the terms hereof. The initial Dealer shall be Citigroup Global Markets, Inc.

"*Dealer Agreement*" shall mean the Amended and Restated Dealer Agreement dated as of January 22, 2019 but effective as of February 20, 2019, between the District and the Dealer, approved and authorized to be entered into by Section 3.4 of the Order, as from time to time amended, supplemented, or substituted in accordance with the terms of the Order and the terms hereof, or an agreement with a new, replacement, substitute, or supplemented Dealer, approved and authorized to be entered into by Section 3.4 or the Order and the terms hereof from time to time.

"*Debtor Relief Laws*" means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"*Default*" shall mean any condition or event that constitutes an Event of Default (as defined in Section 6.01 hereof) or that with the giving of notice or lapse of time or both would, unless cured or waived, become an Event of Default.

"*Default Rate*" shall mean a rate of interest per annum equal to the Base Rate plus three and one-half percent (3.50%); *provided*, *however*, that at all times the Default Rate shall be subject to the limitations set forth in Section 2.04(c) hereof; *provided further*, *however*, that in no event shall the Default Rate be less than the highest per annum rate of interest applicable to any Outstanding Commercial Paper Notes.

"*District*" has the meaning set forth in the introductory paragraph hereof.

"*DTC*" shall mean The Depository Trust Company, New York, New York, or any successor entity thereof.

"*Effective Date*" shall mean August 17, 2023, subject to the satisfaction or waiver by the Bank of the conditions precedent set forth in Section 3.01 hereof.

"*Eligible Projects*" shall mean the improvements the District is authorized to make as set forth in the Order.

"*Environmental Law*" means any and all statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment or the release of any materials into the environment.

"*ERISA*" means the Employee Retirement Income Security Act of 1974, as amended.

"*Event of Default*" shall mean an Event of Default as defined in Section 6.01 hereof.

"*Excess Interest Amount*" has the meaning set forth in Section 2.04(c) hereof.

"Federal Funds Rate" means, for any day, the rate calculated by the NYFRB based on such day's federal funds transactions by depositary institutions, as determined in such manner as shall be set forth on the NYFRB's Website from time to time, and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate; provided that if the Federal Funds Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System of the United States of America.

"*Fee Agreement*" means that certain Amended and Restated Fee Agreement dated as of _____2023, but effective as of the Effective Date, between the District and the Bank, as the same may be amended, supplemented or otherwise modified from time to time by written instrument executed by the District and the Bank. The Fee Agreement is the Fee Letter described in the Order.

"*Final Date*" shall mean the earlier of:

(a) November 1, 2025, or such other date to which such day may be extended pursuant to Section 2.10 hereof; and

(b) the date the Commitment is reduced to zero pursuant to Section 2.06 or terminated pursuant to Section 6.02 of this Agreement; and

(c) the Substitution Date.

"*Fiscal Year*" has the meaning set forth in the Order.

"Fitch" means Fitch, Inc., or any successor thereto.

"*Governmental Authority*" shall mean the United States or any state or political subdivision thereof or any foreign nation or political subdivision thereof, any entity, body or authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government in the United States (or any state, municipality or political subdivision thereof) or any foreign nation or political subdivision thereof, including, without limitation, any central bank or other governmental or regulatory authority exercising control over the Bank or other financial institutions, and any corporation or other entity or authority owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing.

"*Guarantees*" means, for any Person, all guarantees, endorsements (other than for collection or deposit in the ordinary course of business) and other contingent obligations of such Person to purchase, to provide funds for payment, to supply funds to invest in any other Person or otherwise to assure a creditor of another Person against loss.

"*Highest Lawful Rate*" shall mean the maximum net effective interest rate permitted by law to be paid on obligations issued or incurred by the District in the exercise of its borrowing powers (as currently prescribed by Chapter 1204, Texas Government Code), as amended.

"*Holder*" shall mean the Bank and any other holder of the Bank Note or any entity to which the Bank or any such other holder sells a participation in the Bank Note (whether or not the District was given notice of such sale and whether or not the Holder has an interest in the Bank Note at the time amounts are payable to such Holder thereunder and under this Agreement).

"*Indebtedness*" of any Person means at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business (including, without limitation, accounts payable to construction contractors and other professionals for services rendered), (iv) all obligations of such Person as lessee under capital leases, (v) all debt of others secured by a Lien on any asset of such Person, whether or not such debt is assumed by such Person, (vi) all obligations of such Person under any Swap Contract, and (vii) all Guarantees of debt of a type described in any of clauses (i) through (vi) hereof.

"Interest Component" shall have the meaning given to such term in Section 2.01(a) hereof.

"*Issuing and Paying Agent*" or "*Paying Agent*" shall mean the agent appointed pursuant to Section 2.2 of the Order, or any successor to such agent. The initial Issuing and Paying Agent shall be Amegy Bank, a division of ZB, National Association.

"*Issuing and Paying Agency Agreement*" shall mean the Issuing and Paying Agency Agreement, dated as of January 22, 2019 (but effective as of February 20, 2019), between the District and the Issuing and Paying Agent, approved and authorized by Section 3.3 of the Order, as from time to time amended, supplemented, or substituted in accordance with the terms of the Order and this Agreement or an agreement with a new, replacement or substituted Issuing and Paying Agent, approved and authorized to be entered into by Section 3.3 of the Order and the terms hereof from time to time.

"JPMorgan Note Purchase Agreement" means the Amended and Restated Note Purchase Agreement between the Bank and the District dated as of July 24, 2023, but effective as of August 17, 2023, as it may be amended, supplemented or otherwise modified from time to time, concerning the Bank's purchase from time to time of the Series B Commercial Paper Notes.

"*Loans*" shall mean Advances and Term Loans.

"*Material Adverse Effect*" means, as to the District, any material adverse change in or effect on (i) the business, operations, assets, liabilities, condition (financial or otherwise) or results of operations of the District, (ii) the ability of the District to consummate the transactions contemplated by this Agreement or any of the Related Documents to which the District is or will be a party, or (iii) the ability of District to perform any of its obligations under this Agreement or any of the Related Documents to which the District is or will be a party.

"*Maximum Note Rate*" means 10% per annum.

"*Modified Indebtedness*" means (i) all obligations of the District for borrowed money evidenced by bonds, debentures, notes or similar instruments, (ii) all obligations of the District as

lessee under capital leases (x) which are not subject to appropriation or abatement or (y) which are rated by each Rating Agency then rating the Commercial Paper Notes at a level equal to or higher than the unenhanced general obligation long-term debt rating assigned by each such Rating Agency to the District's, unenhanced long-term general obligation debt, (iii) the obligations of the District under any Swap Contract (other than any termination payments under any Swap Contract) providing interest rate support with respect to any Indebtedness payable from or secured on a parity with or senior to the Commercial Paper Notes or the Bank Note and (iv) any Guarantee by the District secured on parity with or senior to the Commercial Paper Notes or the Bank Note (*provided*, *however*, that the failure to pay any such Guarantee as a result of any set-off, recoupment, counterclaim or any other defense of the District shall not constitute a failure to pay Modified Indebtedness for purposes of this Agreement).

"*Moody's*" shall mean Moody's Investors Service, Inc. or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the District.

"Note Payment Account" has the meaning set forth in the Order.

"*Notes*" shall mean the Commercial Paper Notes and the Bank Note.

"*Notice of Loan*" shall mean a written borrowing request in substantially the form of Exhibit B attached hereto, with appropriate completions, executed by an Authorized Official (or by the Issuing and Paying Agent acting on behalf of the District), which requests a Loan from the Bank.

"*No-Issuance Notice*" shall mean the notice described in Section 2.14 hereof.

"NYFRB" means the Federal Reserve Bank of New York.

"NYFRB's Website" means the website of the NYFRB at http://www.newyorkfed.org, or any successor source.

"*Offering Memorandum*" shall mean the disclosure document relating to the offering of the Commercial Paper Notes as such disclosure document may be updated from time to time.

"*Order*" shall mean the Second Amended and Restated Order adopted by the Board on July 24, 2023, as may be amended, supplemented or otherwise modified from time to time.

"Other Taxes" means all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or under any other Related Document or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Related Document including the Commercial Paper Notes.

"*Outstanding*" when used with reference to Commercial Paper Notes, as of the date of determination, shall mean all Commercial Paper Notes theretofore delivered, except:

(1) Commercial Paper Notes theretofore cancelled and delivered to the District or delivered to the Issuing and Paying Agent for cancellation;

(2) Commercial Paper Notes upon transfer of or in exchange for and in lieu of which other Commercial Paper Notes have been delivered pursuant to the Order; and

(3) Commercial Paper Notes under which obligations of the District have been released, discharged or extinguished in accordance with the terms thereof.

"Patriot Act" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107-56 (signed into law October 26, 2001).

"*Person*" shall mean an individual, a corporation, a partnership, a limited liability company, an association, a trust, or any other entity or organization, including a governmental or political subdivision or any agency or instrumentality thereof.

"*Plan*" means, with respect to the District and each subsidiary at any time, an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and either (i) is maintained by a member of the Controlled Group for employees of a member of the Controlled Group of which the District or such subsidiary is a part, (ii) is maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the Controlled Group of which the District or such subsidiary is a part is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions.

"*Prime Rate*" means the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

"Principal Component" shall have the meaning set forth in Section 2.01(a) hereof.

"*Project Costs*" has the meaning set forth in the Chapter 1371.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

"QFC Credit Support" has the meaning assigned to it in Section 7.26.

"*Rating Agencies*" shall mean Moody's, S&P and Fitch and any additional rating agency designated by the District with the written consent of the Bank.

"*Reduction Fee*" has the meaning set forth in the Fee Agreement.

"*Regulation U*" shall mean Regulation U of the Board of Governors of the Federal Reserve System (or any successor), as the same may be amended from time to time.

"*Related Documents*" shall mean the Order, the Issuing and Paying Agency Agreement, the Dealer Agreement, the Commercial Paper Notes, this Agreement, the Fee Agreement and the Bank Note.

"*Revolving Credit Period*" shall mean the period commencing on the Effective Date and continuing to the Final Date.

"Risk-Based Capital Guidelines" means (i) the risk-based capital guidelines in effect in the United States on the Effective Date, including transition rules, and (ii) the corresponding capital regulations promulgated by regulatory authorities outside the United States including transition rules, and any amendments to such regulations adopted prior to the Effective Date.

"*S&P*" shall mean Standard & Poor's Ratings Group, a Standard and Poor's Financial Services LLC business, or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the District.

"Sanctioned Country" means, at any time, a country, region or territory which is itself the subject or target of any Sanctions (at the time of this Agreement, the so - called Donetsk People's Republic, the so- called Luhansk People's Republic, the Crimea Region of Ukraine, Cuba, Iran, North Korea and Syria).

"Sanctioned Person" means, at any time, any Person subject or target of any Sanctions, including (a) any Person listed in any Sanctions-related list of designated Persons maintained by the U.S. government, including by Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, U.S. Department of Commerce, (b) any Person operating, organized or resident in a Sanctioned Country, (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b) (including, without limitation for purposes of defining a Sanctioned Person, as ownership and control may be defined and/or established in and/or by any applicable laws, rules, regulations, or orders).

"Sanctions" shall mean economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State.

"Series B Commercial Paper Notes" has the meaning set forth in the Recitals hereof.

"*Special Event of Default*" shall mean any of the Events of Default described in Section 6.01(a)(i), (e)(i), (f)(i), (g), (h), (i), (j)(i), (l) and (o) hereof.

"*Substitution Date*" means the date of acceptance by the District and the Issuing and Paying Agent of a substitute facility in replacement of this Agreement.

"*Suspension Event*" means the occurrence of an event which causes the suspension of the obligation to make Loans hereunder pursuant to Section 6.02(d) hereof.

"*Swap Contract*" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "*Master Agreement*"), including any such obligations or liabilities under any Master Agreement.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto

"*Termination Fee*" has the meaning set forth in the Fee Agreement.

"*Term Loan*" shall mean an Advance which has been converted to a term loan pursuant to Section 2.01(b) hereof.

"*Term Loan Maturity Date*" shall mean the date which is the earliest to occur of (i) three (3) years from the date such Term Loan is made, (ii) the Substitution Date and (iii) the date the Commitment is permanently reduced to zero or this Agreement is otherwise terminated prior to the date set forth in clause (a) of the definition of the term "*Final Date*" set forth in this Section 1.01.

"*Term Loan Rate*" shall means Base Rate plus 1.00% per annum; *provided however*, that in no event shall the Term Loan Rate be less than the highest per annum rate of interest applicable to any Outstanding Commercial Paper Notes.

Section 1.02. Incorporation of Certain Definitions by Reference. Any terms with an initial capital letter which are used herein and which are not otherwise defined herein shall have the meaning assigned to them in the Order as in effect on the Effective Date unless the context shall indicate a contrary meaning.

Section 1.03. Accounting Terms. All accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared in accordance with generally accepted accounting principles applied on a basis consistent (except for changes concurred in by the District's independent public accountants) with the most recent financial statements of the District delivered pursuant to Section 5.01.

Section 1.04. Interpretations. References to a "general obligation" of the District means those District obligations secured by and payable from, in whole or in part, the District's levy and collection of a debt service tax, without limit as to rate or amount, on all taxable property within its boundaries.

For purposes of clarity, the term general obligation does not encompass any obligations payable from the District's maintenance and operations tax. The table of contents and article and section headings of this Agreement are included herein for convenience of reference purposes only and shall not constitute a part of this Agreement or affect its interpretation in any respect. Except where the context otherwise requires, words imparting the singular number shall include the plural number and vice versa. References to any constitutional, statutory or regulatory provision means such provision as it exists on the Effective Date and any future amendments thereto or successor provisions thereof. All references to time herein shall refer to local time in New York, New York.

ARTICLE II

REVOLVING CREDIT; TERM LOANS

Section 2.01. Commitment to Lend. (a) *Revolving Credit*. The Bank agrees that it will, during the Revolving Credit Period, on the terms and conditions set forth in this Agreement, lend to the District from time to time amounts up to, but not to exceed, an aggregate amount at any one time outstanding equal to the Commitment. Each Advance by the Bank under this Section 2.01(a) shall be made in such amount equal to the Advance as may be requested by the Issuing and Paying Agent to enable the District to pay the principal of (the "Principal Component") and interest on (the "Interest Component") the maturing Commercial Paper Notes during the Revolving Credit Period and on the date of the Advance. Notwithstanding anything herein to the contrary, the aggregate amount of Advances made on any day shall not exceed the Commitment on such date. The Interest Component shall be due and payable two (2) Business Days after such Advance is paid by the Bank (and shall accrue interest from date of such Advance unless paid on the same day as such Advance pursuant to Section 2.04(a)). The Principal Component of any Advance may be paid by the District on any date, but shall be paid not later than its Advance Maturity Date, subject to the provisions of Section 2.01(b) below; *provided*, *however*, that in the event that on the date of any Advance (i) the representations and warranties set forth in Article IV hereof are not true and correct in all material respects or (ii) any Default or Event of Default shall have occurred and be continuing, such Principal Component of such Advance shall be due and payable on the date that is two (2) Business Days after such Advance is made; provided however, to the extent the District determines that ad valorem debt service tax revenues lawfully available to pay such Advance are not available at that time, such Advance shall not be due and payable until February 1 of the calendar year immediately following the date that the District next adopts an order levying ad valorem taxes on property subject to taxation by the District. The District may borrow under this Section 2.01(a), prepay under Section 2.07, and reborrow under this Section 2.01(a) at any time and from time to time during the Revolving Credit Period; *provided*, *however*, that the aggregate of all Advances and Term Loans which are not repaid shall not exceed the aggregate of the Commitment at any time.

(b) *Term Loans*. The Bank agrees that it will, so long as the terms and conditions set forth in Section 3.03 hereof shall have been satisfied, convert the Principal Component of an Advance, on its Advance Maturity Date, to a Term Loan. The principal amount outstanding under each Term Loan shall be repaid, in semiannual installments, with the first installment to be made on the February 1 that first occurs immediately succeeding the date on which such Term Loan is made, and each subsequent semiannual principal installment to be substantially equal and made on each August 1 and February

1 thereafter, and the remaining outstanding balance thereof to be due and payable in full on the Term Loan Maturity Date; *provided*, *however*, such first installment shall not be due and payable until February 1 of the calendar year immediately following the date of adoption by the Board of the order levying the District's annual ad valorem tax.

(c) Notwithstanding anything herein to the contrary, in no event shall the Bank be obligated to make Loans if the sum of such Loan plus the aggregate principal amount of Loans outstanding would be in excess of the Commitment in effect on such date.

Section 2.02. Method of Borrowing. Each Advance shall be made to the Issuing and Paying Agent pursuant to a completed Notice of Loan signed by the Issuing and Paying Agent and delivered to the Bank not later than 12:00 p.m. (noon) of the Business Day on which an Advance is to be made to the Issuing and Paying Agent. A completed and signed Notice of Loan shall be made to the Bank by delivery of a telecopy, electronic mail, or other written form containing the information prescribed in Exhibit B hereto. Notwithstanding the foregoing, the Bank shall, subject to the conditions set forth in this Section and in Section 3.02 hereof, honor a Notice of Loan made to the Bank on or after any date the Bank has delivered a No-Issuance Notice pursuant to Section 2.14 hereof, which is also a date upon which Commercial Paper Notes are due and payable.

Upon receipt by the Bank of a Notice of Loan, the request for an Advance as therein set out shall be irrevocable by the District. At or prior to 2:00 p.m. on the date for which the Advance is requested, and subject to satisfaction of the applicable conditions set forth in this Section 2.02 and Section 3.02 hereof, the Bank shall make available, in federal or other immediately available funds, to the Issuing and Paying Agent funds for the account of the District with instructions to deposit such funds to the Note Payment Account (with instructions for further deposit to any principal or interest payment subaccounts therein, as and if necessary). All Advances made by the Bank pursuant to the terms of this Agreement shall be made from funds of the Bank, and not from the funds of any other Person.

Section 2.03. Bank Note. (a) The Loans made by the Bank shall be evidenced by a Bank Note payable to the order of the Bank in a principal amount equal to the Commitment. The Bank Note shall bear interest on the aggregate principal balance of the outstanding Loans (which balance shall not exceed the principal amount of outstanding Loans received by the District or the Issuing and Paying Agent), and shall be due and payable on the dates, in the amounts and under the circumstances set forth herein and in the Bank Note. No interest shall begin to accrue on the Bank Note until such time as the District or the Issuing and Paying Agent has received a Loan from the Bank under this Agreement.

(b) The Bank shall record, and prior to any transfer of its Bank Note, shall endorse on the schedules forming a part thereof, appropriate notations to evidence the date, amount, type, and maturity of each Loan made by it and the date and amount of each payment of principal and interest made by the District with respect thereto; *provided*, *however*, that the failure of the Bank to make any such recordation or endorsement shall not affect the obligations of the District hereunder or under the Bank Note. In any legal action or proceeding in respect of this Agreement or a Bank Note, the notations made on the Bank Note or as provided by the Bank's accounting records shall be presumptive evidence of the existence and amount due thereunder. The Bank is

hereby authorized by the District to endorse the Bank Note and to attach to and make a part of the Bank Note a continuation or substitution of any such schedule as and when required.

Section 2.04. Interest. (a) *Interest Accrual*. (i) Each Advance shall bear interest at the Advance Rate or the Default Rate (as applicable) on the outstanding principal amount thereof for each day from the date such Advance is made until paid in full. To the extent that funds are advanced to the District to pay the Interest Component on Commercial Paper Notes and the District repays the Bank by 3:00 p.m. on the same Business Day that such funds are advanced for such purpose, no interest shall accrue on the Interest Component of such Advance.

(ii) Each Term Loan shall bear interest at the Term Loan Rate or the Default Rate (as applicable) on the outstanding principal amount thereof for each day from the date such Term Loan is made until paid in full.

(b) *Payment Dates*. (i) Interest on each Advance shall be payable monthly in arrears on the first Business Day of each month (commencing on the first such date to occur after the making of the related Advance) and on the Advance Maturity Date thereof.

(ii) Interest on each Term Loan shall be payable monthly in arrears on the first Business Day of each month (commencing on the first such date to occur after the making of the related Term Loan) and on the Term Loan Maturity Date.

(c) Notwithstanding anything contained herein or in the Bank Note to the contrary, to the extent permitted by law, (i) if at any time the Base Rate, the Advance Rate, the Term Loan Rate or Default Rate, as the case may be, exceeds the Highest Lawful Rate, then (x) interest at the Highest Lawful Rate shall be due and payable and (y) interest at the rate equal to the difference between (A) the applicable rate and without regard to the limitation of this Section 2.04(c) and (B) the Highest Lawful Rate (the "*Excess Interest Amount*") shall be deferred until such date as the applicable rate ceases to exceed the Highest Lawful Rate, at which time the District shall pay to the Bank, with respect to amounts then payable to the Bank that are required to accrue interest hereunder, such portion of the Excess Interest Amount as will cause the rate of interest then paid to the Bank to equal the Highest Lawful Rate, which payments of the Excess Interest Amount shall continue to apply to such unpaid amounts hereunder and under the Order, to the greatest extent permitted by law, until all Excess Interest Amount is fully paid to the Bank; *provided*, *however*, that no payment of any portion of the Excess Interest Amount shall occur after the final maturity of the Commercial Paper Notes. Upon the termination of this Agreement, to the extent permitted by applicable law, in consideration for the limitation of the rate of interest otherwise payable hereunder, the District shall pay to the Bank a fee equal to the amount of all unpaid portions of the Excess Interest Amount; provided, that such fee shall not cause the net effective interest rate on the Notes to exceed the maximum net effective interest rate under Section 1204.005 of Texas Government Code.

(d) Notwithstanding anything contained herein or in the Bank Note to the contrary, the Excess Interest Amount due under the Bank Note shall be paid by the

District to the Bank from the District's ad valorem debt service tax revenues lawfully available for such purpose, but to the extent the District determines such funds are not available at that time, shall not be required to be paid by the District until February 1 of the calendar year immediately following the date that the District next adopts an order levying ad valorem taxes on property subject to taxation by the District and such Excess Interest Amount shall not accrue interest pending payment.

(e) To the extent permitted by law, any overdue principal of and overdue interest on any Loan or any other amount due to the Bank hereunder shall bear interest, payable on demand, for each day the same is overdue until paid, at a rate per annum equal to the Default Rate, payable on demand; *provided*, *however*, payment by the District is to be made from the District's ad valorem debt service tax revenues lawfully available for such purpose, but to the extent the District determines such funds are not available, shall not be due and payable prior to February 1 of the calendar year immediately following the date the Board next adopts an order levying ad valorem taxes for the payment thereof.

(f) All computations of interest in respect of Loans under this Agreement shall be made on a 365-day year basis and actual days elapsed. Each determination of an interest rate by the Bank pursuant to any provision of this Agreement shall be conclusive and binding on the District and the Bank in the absence of manifest error. In addition, any calculation made pursuant to this Section 2.04(f) hereof that would cause the interest (including amounts described in Section 2.04(e) hereof) paid, payable, or accruing on the indebtedness of the District under this Agreement and the Bank Note to exceed the Highest Lawful Rate shall be adjusted so as to reduce the interest paid, payable, and accruing hereunder to such Highest Lawful Rate, as more fully set out in Section 2.04(c) hereof. All sums paid or agreed to be paid to the Bank for the use, forbearance, or detention of the indebtedness evidenced by the Bank Note shall, to the extent permitted by law (including, to the extent applicable, Chapter 1204, Texas Government Code, as amended), be amortized, prorated, allocated, and spread through the full term of the Bank Note.

(g) Notwithstanding anything contained herein to the contrary, the interest rates applicable to Loans may be changed at any time upon the mutual written agreement of the District and the Bank. If any such change in the interest rates applicable to Loans is so agreed to, this Agreement and the Bank Note shall remain outstanding and continue in full force and effect, with no modification other than as to the change in the interest rates applicable to Loans, and all Loans will continue to be made under the Bank Note in accordance with this Agreement, modified only to reflect the agreement of the parties with respect to the changed interest rate applicable to Loans.

Section 2.05. Fees. The District hereby agrees to pay to the Bank all amounts set forth in the Fee Agreement on the terms, in the amounts and in the manner set forth herein and therein and the terms of the Fee Agreement are hereby incorporated herein by reference as if fully set forth herein. Any reference herein to fees and/or any other amounts or obligations payable hereunder or under this Agreement shall include, without limitation, all fees and other amounts or obligations payable pursuant to the Fee Agreement, and any reference to this Agreement shall be deemed to include a reference to the Fee

Agreement. All computations of fees and other amounts due under the Fee Agreement shall be made by the Bank on the basis of a year of 360 days and the actual number of days elapsed.

Section 2.06. Termination or Reduction of Commitment. (a) During the Revolving Credit Period, the District may, upon at least three (3) Business Days notice to the Bank, the Issuing and Paying Agent, the Dealer, and any Rating Agency which has issued a rating on the Commercial Paper Notes, reduce from time to time the aggregate unused Commitment by $1,000,000 or any integral multiple of $100,000 in excess thereof; *provided* that the District may not reduce the Commitment if the Available Commitment as proposed to be reduced would be less than the sum of the aggregate principal of all Outstanding Commercial Paper Notes. The notice delivered pursuant to the preceding sentence must certify that the conditions set forth in the proviso to such sentence have been satisfied and the Bank shall be entitled to rely upon such certification without any further investigation.

(b) The Commitment shall terminate on the date set forth in clause (a) of the definition of Final Date.

(c) If the Commitment is terminated in its entirety, all accrued Commitment Fees shall be payable on the effective date of such termination. If the Commitment is reduced, Commitment Fees on the amount by which the Commitment is so reduced shall be payable on the effective date of such reduction and Commitment Fees on the amount by which the Commitment is reduced shall cease to accrue on the date of such reduction.

(d) Notwithstanding any provision of this Agreement or any Related Document to the contrary, the District agrees not to terminate the Commitment, except upon (i) the payment by the District to the Bank of the Termination Fee, if any, in the amount set forth in the Fee Agreement, (ii) the payment to the Bank of all Obligations payable hereunder, under the Bank Note and under the Fee Agreement and (iii) the District providing the Bank with thirty (30) days' prior written notice of its intent to terminate the Commitment; *provided* that all payments to the Bank referred to in clauses (i) and (ii) above shall be made in immediately available funds.

(e) Notwithstanding the foregoing and anything set forth herein to the contrary, the District agrees not to permanently reduce the Commitment except upon payment by the District to the Bank on the date of such reduction of the Reduction Fee, if any, in the amount set forth in the Fee Agreement, such amount to be made in immediately available funds.

Section 2.07. Prepayment of Loans. (a) *Optional Prepayments*. The District may, at its option, upon written notice to the Bank, at any time and from time to time, prepay Loans, in whole or in part, without premium or penalty. Each partial prepayment permitted above shall be in the principal amount of $100,000 or any multiple thereof plus accrued interest thereon.

(b) *Mandatory Prepayments*. If on any date (A) the sum of the aggregate principal amount of outstanding Loans exceeds the amount of the Commitment, the District shall immediately prepay the Loans in an amount equal to such excess, (B) the aggregate principal amount of Outstanding Commercial Paper Notes exceeds the amount of the Available Commitment, the District shall immediately prepay the Loans in an

amount equal to such excess, or (C) any Commercial Paper Notes are sold to finance the repayment of a Loan, the District shall immediately prepay any outstanding Loans in an amount equal to the sum of the proceeds from such sale.

(c) Upon receipt by the Bank of a notice of prepayment pursuant to this Section, such notice shall not be revocable by the District.

(d) Each prepayment shall be accompanied by the payment of accrued interest to the date of such prepayment on the amount prepaid.

Section 2.08. General Provisions as to Payment. The following general provisions shall apply to all payments of Commitment Fees and payments due under the Bank Note and hereunder:

(a) The Bank shall calculate and notify the District in writing of the amounts payable by the District hereunder and the Fee Agreement not less than ten (10) Business Days preceding any payment date; provided that in no event shall the failure by the Bank to timely delivery such invoice affect the obligations of the District to make all such payments in the amount and on the dates required in this Agreement or the Fee Agreement. Such calculations will be based on the assumptions that the Advance Rate, the Term Loan Rate or the Default Rate, as applicable, will not change from the date of calculation to the payment date. In the event any of such applicable rates change between the date of notification and the payment date, any overpayment or underpayment resulting from such change will be applied to the next ensuing payment or reimbursement, as the case may be.

(b) The District shall make each payment due to the Bank hereunder or under the Fee Agreement not later than 3:00 p.m. on the day when due, in federal or other funds immediately available, by wire transfer to such account as the Bank may from time to time designate. All payments received by the Bank after 3:00 p.m. shall be determined to have been received on the next succeeding Business Day and the applicable interest or fee shall continue to accrue.

(c) Whenever any payment due hereunder or under the Fee Agreement shall be due on any day which is not a Business Day, the date for payment thereof shall be extended to the next succeeding Business Day. If the date for the payment or prepayment of amounts due hereunder or under the Fee Agreement is extended by the preceding sentence, or by operation of law, or otherwise, interest thereon shall be payable for the period of such extension at the rate applicable thereto under other provisions of this Agreement.

Section 2.09. Security for Bank Note. The Bank Note is a general obligation of the District payable from and secured solely by the funds pledged therefor pursuant to the Order, including specifically Section 2.11 thereof, and this Agreement, as authorized thereby. To provide security for the payment of the principal of and interest on the Commercial Paper Notes, the Bank Note and any amounts due under this Agreement and under the Fee Agreement, as the same shall become due and payable, the District has granted a lien on and pledge of the following:

(a) the proceeds from the sale of Commercial Paper Notes from time to time issued to pay principal amounts of or interest on outstanding Commercial Paper Notes and the Bank Note,

(b) proceeds from the sale of general obligation bonds issued by the District from time to time hereafter for the purpose of paying the principal amounts of or interest on outstanding Commercial Paper Notes and the Bank Note,

(c) Loans made to pay the principal amounts of and interest on outstanding Commercial Paper Notes,

(d) amounts held in the Note Payment Account, and

(e) the proceeds of the tax levy, as set forth in the Order.

To provide additional security for the payment of the principal of and interest on the Bank Note and other amounts due under this Agreement and the Fee Agreement as the same shall become due and payable, as provided in Section 2.11 of the Order, the District has provided for a lien on the proceeds from any Advance. The District has also levied a continuing direct annual ad valorem tax upon all taxable property in the District, without legal limit as to rate or amount, sufficient to pay principal and interest due on the Commercial Paper Notes and the Bank Note and other amounts due hereunder and under the Fee Agreement. All of such sources and pledges are herein called the "*Collateral*." The Bank Note shall further be entitled to the benefits of this Agreement.

Chapter 1208, Texas Government Code, applies to the Bank Note and the obligations hereunder and under the Fee Agreement and the pledge made under this Section 2.09, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bank Note or any obligation hereunder or under the Fee Agreement is outstanding and unpaid such that the pledge made by the District hereunder is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the Bank the perfection of the security interest in said pledge, the District agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Section 2.10.Extension of Revolving Credit Period. Not more than one hundred twenty (120) days prior to the Final Date, the District may submit a written request in the form of Exhibit F hereto to the Bank that the Final Date be extended for an additional period as agreed to by the parties hereto. The District may request one or more such extensions. Any such written request may be accompanied by requests to increase or decrease the amount, or otherwise modify the terms and conditions, of the Commitment. The Bank has no obligation to agree to extend the Revolving Credit Period or any other request or condition accompanying such request. If the Bank, in its sole discretion following such request by the District, agrees to extend the Revolving Credit Period, the Bank shall give written notice of the election by the Bank to extend to the District, the Issuing and Paying Agent and the Dealer within thirty (30) days from the date of receipt of information necessary, in the Bank's reasonable judgment, to permit the Bank to make an informed credit decision; and such extension shall be subject to

preparation, execution and delivery of documentation in form and substance satisfactory to the Bank and the District. If the Bank does not so notify the District, the Final Date shall not be so extended. At the time of any extension, the Bank may, in its sole discretion as a condition to such extension, require changes in the terms and conditions of this Agreement, including the Commitment Fee, the Advance Rate, the Term Loan Rate or the Default Rate.

Section 2.11. Notice of Issuing and Paying Agent. The District will give written notice to the Bank of the appointment of any new or substitute Issuing and Paying Agent, which notice shall specify the name and address of the Issuing and Paying Agent and the name of a person to contact at the Issuing and Paying Agent.

Section 2.13. Compliance with Law. Notwithstanding any other term or provision of this Agreement, the Fee Agreement or of the Bank Note, the maximum amount of interest which may be payable by, charged to, or collected from the District, or any other person either primarily or conditionally liable for the payment of the Bank Note, shall be limited to, and shall in no event or under any circumstance exceed, the Highest Lawful Rate so that, notwithstanding any other term or provision of this Agreement, the Fee Agreement or the Bank Note, the aggregate of the interest on any Loan, including all fees and other amounts which constitute interest under applicable state law (and any applicable federal statutes), shall never exceed the Highest Lawful Rate. Accordingly, the District and the Bank stipulate and agree that this Agreement, the Fee Agreement and the Bank Note shall not be construed to create a contract to pay interest for the use, forbearance, or detention of money at a rate in excess of the Highest Lawful Rate, and the District shall never be liable for interest in excess of the Highest Lawful Rate.

Specifically and without limiting the generality of the foregoing, it is further agreed among the District and the Bank that the maximum amount of interest contracted for and payable on or under this Agreement, the Fee Agreement and the Bank Note, now or hereafter shall be calculated in order that such rate shall not exceed the Highest Lawful Rate, and such parties agree that:

(a) In the event of voluntary prepayment of any Loan or payment prior to the Advance Maturity Date or the Term Loan Maturity Date, if the aggregate amount of any interest calculated thereunder or thereon, plus any other amounts which constitute interest on such Loan would, in the aggregate, if charged or paid, exceed the Highest Lawful Rate, then in such event the amount of such excess shall not be charged, payable or due (if not previously paid) or (if paid) shall be credited toward the payment of the principal of the Loan involved so as to reduce the amount thereof and if, and to the extent, the entire principal amount has been paid in full, refunded to the District.

(b) The provisions of this Section 2.13 shall control over any other provisions of this Agreement, the Fee Agreement, the Bank Note, any other instrument or writing evidencing, respecting or affecting the Loans, and the Bank further agrees that any limitations or restrictions imposed on it, or on payments which it may receive by reason of this Section 2.13, shall apply and be recognized in all circumstances and to all payments, regardless of the source or payor thereof; *provided*, *however*, that this Section 2.13 shall not be construed to prohibit the payment of the Excess Interest Amount as described in Section 2.04 hereof.

(c) All fees prescribed in Section 2.05 and in the Fee Agreement shall constitute exclusively the consideration for the Bank's agreement to have available funds in the amount committed by the Bank in respect of Loans and to make such Loans in the future as provided herein and shall not constitute or be treated as compensation for the use of, forbearance, or detention of money actually loaned and advanced hereunder.

Section 2.14. No-Issuance Notice. If an Event of Default that is not a Special Event of Default shall have occurred and be continuing, then the Bank may deliver a notice to that effect ("*No-Issuance Notice*") pursuant to Section 6.02(c) hereof. A No-Issuance Notice shall be given in writing, delivered to the Issuing and Paying Agent (and to the District and the Dealer), substantially in the form of Exhibit C hereto. The Bank agrees that if, after the delivery of a No-Issuance Notice, the Event of Default shall no longer be continuing and the Bank shall have received a notice from an Authorized Official to that effect, then the Bank shall deliver a notice (a copy of which may be delivered by the Bank to the District and the Dealer) to the Issuing and Paying Agent rescinding such No-Issuance Notice.

Section 2.15. Obligations Absolute. The obligations of the District under this Agreement and the Fee Agreement shall be absolute, unconditional and irrevocable and shall be paid or performed strictly in accordance with the terms of this Agreement and the Fee Agreement, under all circumstances whatsoever, including, without limitation, the following circumstances: (i) any lack of validity, legality or enforceability of this Agreement, the Fee Agreement, the Bank Note or any other Related Document, or any other instrument, agreement or other document executed and delivered by the District in connection with any of the foregoing; (ii) any amendment or waiver of or any consent to departure from all or any of the Related Documents, or any other instrument, agreement or other document executed and delivered by the District in connection with any of the foregoing; (iii) any statement or other document presented under this Agreement proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect whatsoever; (iv) the making of a Loan after the delivery of a Notice of Loan that does not comply with the terms of this Agreement; (v) the existence of any claim, set-off, defense or other rights which the District may have at any time against the Issuing and Paying Agent (or any Person for whom the Issuing and Paying Agent may be acting), any Dealer, the Bank or any other Person, whether in connection with this Agreement, the transactions contemplated herein or in the Related Documents or any unrelated transaction; or (vi) any other circumstance (whether or not similar to any of the foregoing), it being agreed that the obligations hereunder and under the Fee Agreement shall not be discharged except by the performance thereof strictly in accordance with the terms of this Agreement and the Fee Agreement including, without limitation, the payment in full as herein provided of all amounts owing hereunder and under the Fee Agreement.

ARTICLE III

CONDITIONS

Section 3.01. Conditions to Closing and Commencement of the Revolving Credit Period. This Agreement shall be delivered to, and binding upon, the District and the Bank on the date on which the conditions set out in this Section 3.01 shall have been satisfied, and the Revolving Credit Period shall commence on such date.

(a) a counterpart of this Agreement and the Fee Agreement duly executed by the District and the Bank;

(b) the duly executed Bank Note, dated as of the Effective Date, complying with the provisions of Section 2.03 hereof and substantially in the form set forth in Exhibit A hereto;

(c) a copy of the Order, including any amendments thereto;

(d) a certificate of an Authorized Official in form and substance satisfactory to the Bank, dated the Effective Date, and containing the representations substantially in the form of Exhibit D hereto;

(e) an opinion of Bond Counsel on which the Bank may rely, dated the Effective Date, in form and substance satisfactory to the Bank and its counsel;

(f) copies of the Issuing and Paying Agency Agreement and the Dealer Agreement;

(g) copy of the executed JPMorgan Note Purchase Agreement;

(h) copies of all approvals or authorizations by, or consents of, or notices to or registrations with, any governmental body or agency required for the District to enter into this Agreement, the Fee Agreement and the other Related Documents and of all such approvals, authorizations, consents, notices, or registrations required to be obtained or made prior to the Effective Date in connection with the transactions described herein and in the other Related Documents;

(i) copies of the District's investment policy, guidelines and permitted investments;

(j) rating letters from S&P and Fitch which confirm that the Commercial Paper Notes have received short-term ratings of "A-1" (or its equivalent) or better by S&P and "F1" (or its equivalent) or better by Fitch;

(k) evidence of the underlying rating on the District's unlimited tax bonds from S&P of "AA+" and Fitch of "AA+".

(l) a certificate of incumbency, dated on or before the Effective Date, executed by the Secretary of the Board;

(m) written confirmation that a CUSIP number has been obtained from Standard and Poor's CUSIP Services for the Bank Note;

(n) an approving opinion of the Office of the Attorney General of the State of Texas; and

(o) such other documents, opinions, or certificates reasonably requested by the Bank.

Section 3.02. Conditions to Loans During Revolving Credit Period.

The obligation of the Bank to make any Advance, when so requested hereunder during the Revolving Credit Period, is subject to receipt by the Bank of a Notice of Loan as required by Section 2.02 hereof and to the satisfaction of the further conditions that no Special Event of Default has occurred and no Suspension Event has occurred and is continuing. In addition, the Bank shall not have any obligation to make an Advance to the District to pay the principal of or interest on any Commercial Paper Notes which were issued by the District after receipt by the Issuing and Paying Agent, the Dealer, and an Authorized Official of a No-Issuance Notice.

Section 3.03. Conditions to Term Loan. The obligation of the Bank to make any Term Loan is subject to satisfaction of the conditions that (A) no Default or Event of Default has occurred and is continuing, and (B) the representations and warranties of the District contained in this Agreement or the other Related Documents are true and correct in all respects as of the date of the conversion to a Term Loan.

Section 3.04. Conditions to Issuance of Additional Commercial Paper Notes. Notwithstanding the foregoing, the District shall provide no fewer than ninety (90) days' written notice to the Bank of its intention to increase the amount of the Commercial Paper Notes outstanding; provided, that the failure of the District to provide such written notice, or the issuance of Commercial Paper Notes in excess of the amount reflected in the notice, shall not result, in and of itself, in the Bank having the ability to issue a No-Issuance Notice. Failure to provide notice as provided above shall not constitute a Default or an Event of Default hereunder

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE DISTRICT

Section 4.01. Organization and Powers. The District (a) is a political subdivision and independent school district duly established and validly existing under the constitution and laws of the State of Texas; (b) has full power and authority to operate, acting through the Board, and to acquire, construct, finance, and operate the Eligible Projects; (c) has full power and authority to adopt the Order; to execute, deliver, and perform the Order, this Agreement, the Fee Agreement and the other Related Documents; to borrow hereunder, and to execute, deliver, and perform the Bank Note and (d) has full power and authority to receive Loans and otherwise incur general obligation debt in accordance with this Agreement, the Fee Agreement and the other Related Documents and pay the principal of and interest on the Commercial Paper Notes, the Bank Note and all of the District's Obligations hereunder (including, without limitation, the obligation, to repay all Loans, to pay all interest thereon, and to pay all fees and other amounts payable hereunder and as specified under and pursuant to the Fee Agreement).

Section 4.02. Authorization Contravention. The execution, delivery, and performance by the District of this Agreement, the Fee Agreement, the Bank Note and the other Related Documents and the making of the payments under the Bank Note have been duly authorized by all necessary action by the

District and do not contravene, conflict, or result in the violation or breach of, or constitute a default under, any provision of Applicable Law.

Section 4.03. Governmental Consent or Approval. The District is in compliance with all Applicable Laws, orders, regulations, and other requirements of governmental authorities. No authorization, consent, approval, permit, license, or exemption of, or filing or registration with, any court or governmental department, commission, board, bureau, agency, or instrumentality that has not been already obtained or issued (or will have been obtained on or prior to the Effective Date) is or will be necessary for the valid adoption, execution, delivery or performance by the District of the Related Documents, including the Bank Note and this Agreement.

Section 4.04. Binding Effect. This Agreement, the Fee Agreement, the Bank Note and the Related Documents constitute valid and binding obligations of the District, assuming this Agreement and the Fee Agreement represent valid and binding agreements of the Bank and, with respect to the other Related Documents that include a counterparty to the District, such other Related Document represents the valid and binding agreement of such counterparty, enforceable against the District in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium, or other laws or equitable principles relating to or limiting creditor's rights and remedies generally.

Section 4.05. Federal Reserve Regulations. No part of the proceeds of any Commercial Paper Notes or any Loan will be used for the purpose, whether immediate, incidental, or ultimate, of purchasing or carrying any margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System, as amended from time to time), or extending credit to others for the purpose of purchasing or carrying any margin stock, or for any other purpose which would violate any of the regulations of said Board of Governors.

Section 4.06. Litigation. There is no action, suit, or proceeding to which the District is a party pending in any court or, to the knowledge of the District, threatened against or affecting the District, or relating to other Applicable Laws or regulations, or this Agreement or the other Related Documents in any court or before or by any governmental department, agency, instrumentality, or arbitrator the resolution of which could reasonably be expected to materially and adversely affect the ability or authority of the District to perform its obligations under this Agreement or the other Related Documents, or which in any manner questions the validity or enforceability of this Agreement or the other Related Documents or the granting, perfection, enforceability, or priority of the lien on and pledge of the Collateral provided in Section 2.09, except any action, suit, or proceeding (i) as described in the Offering Memorandum prepared by the District and Dealer relating to the Commercial Paper Notes or (ii) which may be brought prior to the Effective Date as to which the Bank has received an opinion of counsel satisfactory to the Bank, in form and substance satisfactory to the Bank and its counsel, to the effect that such action, suit, or proceeding is without substantial merit.

Section 4.07. No Default. The District is not in default under (i) any order, writ, injunction or decree of any court or governmental body, agency or other instrumentality applicable to it, or (ii) any law or regulation applicable to it, or (iii) any of its debt, or (iv) any contract, agreement or instrument to which it is a party or by which it or its property is bound, in each case, which default could have a material adverse effect on the properties, business, revenues, condition (financial or other), results of operations or prospects of the District or an adverse effect on the validity or enforceability of, or the

authority or ability of the District to perform its obligations under, this Agreement and the other Related Documents; and no event has occurred which with the giving of notice or the passage of time or both would constitute such a default. No Default or Event of Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Related Document.

Section 4.08. Financial Statements. All financial statements of the District delivered to the Bank have been prepared in accordance with generally accepted accounting principles consistently applied and fairly present the financial condition of the District. No material adverse change in the business, properties, condition (financial or otherwise), or operations, present or prospective, of the District has occurred since the date thereof.

Section 4.09. Complete and Correct Information. All information, reports, and other papers and data with respect to the District furnished by the Board to the Bank in connection with this Agreement were, at the time the same were so furnished, complete and correct in all material respects. No document furnished or written information provided by the District in connection with the negotiations, preparation, or execution of this Agreement contains any untrue statement of a fact material to its creditworthiness or omits to state a material fact necessary in order to make the statements contained therein not misleading.

Section 4.10. Collateral. The Order creates and constitutes a valid continuing irrevocable lien on and pledge of the Collateral.

Section 4.11. Incorporation by Reference. The representations and warranties (and related defined terms used therein) made by the District in the Related Documents are hereby incorporated herein by reference and made for the benefit of the Bank. Except as made in accordance with the terms hereof, no amendment, modification, termination or replacement of any such representations, warranties and definitions contained in the Related Documents shall be effective to amend, modify, terminate or replace the representations, warranties, covenants and definitions incorporated herein by this reference, without the prior written consent of the Bank.

Section 4.12. Legislation. Except to the extend disclosed to the Bank in writing, there is no amendment or, to the knowledge of the District, proposed amendment to the constitution of the State of Texas or any administrative interpretation of the constitution of the State of Texas or any State of Texas law, or any legislation that has passed either house of the legislature of the State of Texas, or any judicial decision interpreting any of the foregoing, the effect of which will materially adversely affect the issuance of any of the Commercial Paper Notes, the security for any of the Commercial Paper Notes or the District's obligations hereunder, under the Bank Note or under any of the other Related Documents to which it is a party, or the District's ability to repay when due its obligations under this Agreement, under the Bank Note or any other Related Document, or any of its general obligation bonds.

Section 4.13. Environmental Matters. The District has not received notice to the effect that its operations are not in compliance with any of the requirements of applicable federal, state or local environmental, health and safety statutes and regulations or are the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could

reasonably be expected to have a material adverse effect on the assets, financial condition, or operations of the District or its ability to perform its obligations under the Related Documents.

Section 4.14. Tax-Exempt Status. The District has not taken any action or omitted to take any action, and knows of no action taken or omitted to be taken by any other Person, which action, if taken or omitted, would adversely affect the exclusion of interest on the Commercial Paper Notes from gross income for federal income tax purposes.

Section 4.15. Compliance with Laws and Contracts. The execution, delivery and performance by the District of this Agreement and the other Related Documents to which it is a party will not (i) violate any provision of any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award as currently in effect to which the District is subject; (ii) result in a breach of or constitute a default under the provisions of any indenture, loan or credit agreement or any other agreement, lease or instrument to which the District may be or is subject or by which it, or its property, is bound; or (iii) result in, or require, the creation or imposition of any mortgage, deed of trust, assignment, pledge, lien, security interest or other charge or encumbrance of any nature on or with respect to any of the properties of the District other than as provided therein; and the District is not in default under any such law, rule, regulation, order, writ, judgment, injunction, decree, determination or award or any such indenture, agreement, lease or instrument, except for such noncompliance that singly or in the aggregate has not caused and could not reasonably be expected to cause a Material Adverse Effect.

Section 4.16. Solvency. The District is, and upon the incurrence of any obligation by the District on any date on which this representation and warrant is made will be, solvent and able to pay its debts as they become due.

Section 4.17. No Tax or Fee. None of the execution or delivery of this Agreement or the other Related Documents, the extension of credit provided herein or the making of any Loan will give rise to any tax or fee imposed by any local or state agency or governmental body, except for those which have been paid.

Section 4.18. Issuance of Commercial Paper Notes. Each issuance of Commercial Paper Notes by the District shall be deemed a representation by the District that (a) the District has complied in all material respects with all of the terms and provisions of this Agreement and the other Related Documents, (b) on such date, and after giving effect to the issuance of the Commercial Paper Notes, no Default or Event of Default has occurred or is continuing, (c) the representations and warranties of the District contained in this Agreement and the other Related Documents to which it is a party are true and correct in all material respects on and as of the date of issuance of the Commercial Paper Notes in question as though made on and as of such date, and (d) the aggregate amount of Commercial Paper Notes Outstanding, after issuance of the Commercial Paper Notes will not exceed the Commitment available to be drawn hereunder.

Section 4.19. Commercial Paper Notes. Each Commercial Paper Note (including the Bank Note) has been duly and validly issued under the Act, the Order and the Issuing and Paying Agency Agreement and entitled to the benefits thereof.

Section 4.20.Immunity. To the extent such obligations are not uncertain or in dispute, the District is not entitled to claim immunity on the grounds of sovereignty, or similar grounds, from (i) relief by writ of mandamus to perform its obligations under this Agreement, the Fee Letter, the Order, or the Commercial Paper Notes or (ii) enforcement by writ of mandamus of its payment obligations with respect to any Notes or other amounts due under this Agreement or the Fee Letter.

Section 4.21.Employee Benefit Plan Compliance. The District has no funding liability or obligation currently due and payable with respect to any employee benefit plan which could reasonably be expected to materially and adversely affect the ability of the District to perform its obligations hereunder or under any other Related Document. The District is otherwise in compliance with the terms of any such plan in which the District participates to the extent any such failure to comply could reasonably be expected to materially and adversely affect the ability of the District to perform its obligations hereunder or under any other Related Document. Neither the District nor any employee benefit plan maintained by the District is subject to ERISA. The District is not subject to ERISA and maintains no Plans.

Section 4.22.Anti-Corruption Laws. The District and, to the knowledge of the District, its respective officers, employees, directors, trustees and agents, that will act in any capacity in connection with or benefit from the transactions established by the Related Documents are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) the District or, to the knowledge of the District, any of its respective directors, officers, trustees or employees that will act in any capacity in connection with or benefit from the transactions established by the Related Documents, or (b) to the knowledge of the District any agent of the District that will act in any capacity in connections with or benefit from the transactions established by the Related Documents is a Sanctioned Person. No proceeds of the transactions contemplated by the Related Documents will violate Anti-Corruption Laws or applicable Sanctions.

Section 4.23.ERISA. The District is not subject to Title IV of ERISA.

ARTICLE V

COVENANTS OF THE DISTRICT

The District and the Board, as applicable, agree that during the term of this Agreement and while the Bank Note is Outstanding:

Section 5.01.Information. The District will deliver to Bank:

(a) the District within 180 days after the end of each Fiscal Year, a copy of the audited financial statements of the District prepared in accordance with generally accepted accounting principles applicable to independent school districts of the State of Texas such as the District, consistently applied, and audited by independent certified public accountants of recognized standing, including such information that is required by applicable Texas law and the rules of the Texas Education Agency from time to time promulgated and applicable to the District;

(b) concurrently with the delivery of the financial statements in (a) above, a no default certificate of the District from an Authorized Official in the form of Exhibit H hereto;

(c) promptly after the issuance thereof, copies of any prospectus, official statement, offering circular, placement memorandum, or similar or corresponding document, and any supplements thereto and updates and amendments thereof, that the District makes available in connection with the offering, issuance or incurrence of obligations secured by all or any portion of the Collateral, and, on request, copies of such other financial reports that the Board shall customarily and regularly provide to the public;

(d) forthwith upon the occurrence of any Event of Default a certificate of an Authorized Official setting forth the details thereof and the action which the Board is taking or proposes to take with respect thereto, a report showing the aggregate amount and maturities of Commercial Paper Notes outstanding at the end of the preceding month and a summary of the aggregate principal amount of Commercial Paper Notes issued, rolled over or retired in such period;

(e) promptly, and in any event within ten (10) Business Days, notice of any change (whether upward or downward) in any unenhanced debt rating assigned by Moody's, Fitch or S&P (any additional rating agency designated by the District with the written consent of the Bank) to any general obligation bonds of the District;

(f) notice of (i) the existence and status of any litigation which individually or in the aggregate could, in the event of an unfavorable outcome, have a material adverse effect on (A) the financial condition or operations of the District or its performance of its obligations hereunder or under any of the Related Documents, (B) the Commercial Paper Notes, (C) the payment of the principal of and interest on the Bank Note and all other amounts due under this Agreement, or (D) the enforceability or validity of any of the Related Documents, (ii) any change in any material fact or circumstance represented or warranted in this Agreement or in any of the Related Documents, or (iii) any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect;

(g) as soon as available and in any event within forty-five (45) days after the end of each Fiscal Year, a copy of the annual budget of the District; and

(h) upon written request of the Bank, any other financial information reasonably requested.

Any of the above information required to be delivered to the Bank pursuant to (a)-(h) above may be provided in electronic form, if available, including by referencing such information as being available on the MSRB information website (currently EMMA).

Section 5.02. Access to Records. The District will (i) furnish to the Bank such information regarding the financial condition, results of operations, or business of the District and its performance under this Agreement and the other Related Documents, as the Bank may reasonably request, (ii) upon at least 48 hours prior notice, permit any officers, employees, or agents of the Bank to visit and inspect

during the regular operating hours of the District any of the properties of the District and to discuss matters with the District's officers and accountants reasonably pertinent to the assets, liabilities, financial condition, results of operations, or business of the District, and (iii) permit the Bank to copy and make abstracts from any and all of said books and records (except books and financial records the examination of which by the Bank is prohibited by law, information made confidential by law or by agreement with third parties, or by attorney or client privileges), all at such reasonable times as the Bank may reasonably request. All information received by or provided to the Bank pursuant to this Agreement, unless otherwise made public by the District or required by law to be disclosed, will be held as confidential information by the Bank.

Section 5.03. Limitation on Commercial Paper Notes. The District will not issue any Commercial Paper Notes except in accordance with the Order.

Section 5.04. Proceeds of Commercial Paper Notes. The proceeds of the Commercial Paper Notes will be used by the District solely for the purposes described in the Order. The District shall not use the proceeds of any credit extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose, in each case in violation of, or for a purpose which violates, or would be inconsistent with, Regulation T, U or X of the Board of Governors of the Federal Reserve System.

Section 5.05. Performance and Compliance with Other Covenants. The District shall fully and faithfully perform each of the covenants required of it pursuant to the provisions of the Related Documents.

Section 5.06. No Amendment of Certain Contracts or Orders. The District will not consent to or enter into any amendment, modification or supplement to, or waiver of any of the provisions of the Related Documents without the prior written consent of the Bank, which consent will not unreasonably be withheld. The District will give the Bank notice as promptly as practicable (but in no event less than five (5) Business Days) of any proposed amendments to or modifications or waivers of any provisions of the Order and of any meeting of the Board at which any of the foregoing will be discussed or considered.

Section 5.07. Supplemental Orders and Further Assurances. The District will at any and all times, insofar as it may be authorized so to do by law, pass, make, do, execute, acknowledge, and deliver all and every such further resolutions, acts, assignments, recordings, filings, transfers, and assurances as may be required by law to maintain all and singular the rights, revenues, and other funds and the Collateral hereby pledged or assigned to the payment of the Bank Note, or intended so to be, of which the District may become bound to pledge or assign and to carry out the intent and purpose of this Agreement and the other Related Documents.

Section 5.08. Indebtedness, Taxes and Liabilities. The District will pay all its indebtedness and obligations promptly and in accordance with its terms and pay and discharge or cause to be paid and discharged promptly all taxes, assessments, and governmental charges or levies imposed upon it or upon its income and profits, or upon any of its property, real, personal, or mixed, or upon any part thereof, before the same shall become in default, except for those matters which are reasonably being contested

in good faith by appropriate action or proceedings or for which the District has established adequate reserves in accordance with generally accepted accounting principles applicable to governmental entities.

Section 5.09. Restrictions on Use of Proceeds. The proceeds of the Loans will be applied by the District only to pay the principal of and interest on the Commercial Paper Notes coming due during the Revolving Credit Period. None of the funds borrowed by virtue of this Agreement will be used in any manner or for any purpose except in the manner and for the purposes authorized by Texas law, this Agreement and the Order.

Section 5.10. Compliance With Law. The District shall comply with all laws, ordinances, orders, rules, investment policies and guidelines and regulations (including without limitation, compliance with Environmental Laws and state securities and blue sky laws in connection with the offering, sale and delivery of the Commercial Paper Notes) that may be applicable to it if the failure to comply could have a material adverse effect on the properties, business revenues, condition (financial or other), results or operations of the District or on the security for any of the Commercial Paper Notes, the Bank Note or any obligation owed to the Bank hereunder or under the Fee Agreement, or the ability of the District to perform its obligations under this Agreement and the other Related Documents.

Section 5.11. Insurance. The District will maintain insurance with insurers of good standing, to the extent that such insurance is available, or self-insure (to the extent permitted by law), against risks, accidents or casualties against which and to the extent customarily insured against by political subdivisions of the State of Texas operating similar properties.

Section 5.12. Investments Generally. The District shall comply with the provisions of the Public Funds Investment Act (Chapter 2256, as amended, Texas Government Code).

Section 5.13. Ratings. The District will maintain at least two underlying long-term credit ratings on its general obligation Indebtedness from Moody's, S&P or Fitch (or such other rating agency designated by the District with the written consent of the Bank).

Section 5.14. Notification of Liabilities. The District shall notify the Bank of the occurrence of any actual or potential contingent liability which would have a materially adverse effect on the District's ability to perform its obligations under this Agreement and the other Related Documents.

Section 5.15. Tax Exempt Program. The District shall comply with the Order and maintain the tax-exempt status of its Commercial Paper Notes.

Section 5.16. Other Agreements. The District shall not enter into any agreement which would be violated or breached by the performance of the District's obligations under this Agreement, the Related Documents, or the JPMorgan Note Purchase Agreement.

Section 5.17. Levy of Taxes. The District shall comply with the provisions of the Order regarding the levy of ad valorem taxes during each year during the term of this Agreement sufficient to provide for the timely payment of principal of and interest on the Bank Note and the Commercial Paper Notes (taking into account any other sources of funding that are lawfully available therefor) and shall levy taxes and take such further action to provide for the payment of the District's obligations under this Agreement, the Bank Note, and the Commercial Paper Notes.

Section 5.18. Maintenance of Existence. The District shall at all times preserve and maintain its existence as a school district under Chapter 45, as amended, or a successor statute.

Section 5.19. Alternate Credit Facility. Unless the District provides that no Commercial Paper Notes will at such time be Outstanding, the District agrees to use its best efforts to obtain an Alternate Credit Facility to replace this Agreement prior to the Final Date or other termination of this Agreement in the event (i) the Bank shall decide not to extend the Final Date pursuant to Section 2.10 hereof or (ii) the District terminates this Agreement pursuant to Section 2.06 hereof. The District shall not cause an Alternate Credit Facility to become effective with respect to less than all the Commercial Paper Notes at such time Outstanding without the prior written consent of the Bank, unless it has made provision for the payment of such Commercial Paper Notes.

The District agrees that, as a condition to the effectiveness of any Alternate Credit Facility, the District whether from its own funds or the provider of an Alternate Credit Facility shall provide funds to the extent necessary, in addition to other funds available, on the effective date of such Alternate Credit Facility, to make the payments set forth in Article II hereof to the Bank on such effective date. On such effective date, any and all obligations due hereunder and all principal and interest due on the Bank Notes shall be payable in full to the Bank.

Section 5.20. Offering Document. The District shall not refer to the Bank in any offering document or make any changes in reference to the Bank in any offering document without the Bank's prior written consent thereto (the Bank hereby giving its written consent to the reference to it in the Offering Memorandum as in effect on the Effective Date to the extent the same conforms to information provided by the Bank for inclusion in such Offering Memorandum or an Official Statement identifying the Bank as the credit provider for the Commercial Paper Notes under this Agreement or the lender under the JPMorgan Note Purchase Agreement).

Section 5.21. Total Outstanding. At no time shall the District permit (i) the aggregate principal amount of the Commercial Paper Notes and the Series B Commercial Paper Notes Outstanding to exceed the Available Commitment; and (ii) the sum of (A) the aggregate principal amount of the Commercial Paper Notes and the Series B Commercial Paper Notes Outstanding and all interest to accrue on the Commercial Paper Notes through the maturity dates thereof, and (B) the aggregate principal amount of all outstanding and unpaid Advances and Term Loans, to exceed the Commitment.

Section 5.22. Reserved.

Section 5.23. Incorporation by Reference. From and after the date hereof and so long as this Agreement is in effect, except to the extent compliance in any case or cases is waived in writing by the Bank pursuant to the terms hereof, the District agrees that it will, for the benefit of the Bank, comply with, abide by, and be restricted by all of the agreements, covenants, obligations and undertakings of the District contained in the Order and the other Related Documents, which provisions, together with the related definitions, and ancillary provisions, are hereby incorporated herein by reference, and made a part hereof to the same extent and with the same force and effect as if the same had been herein set forth in their entirety and it will be deemed to continue in effect for the benefit of the Bank, without regard or giving effect to any amendment or modification of such provisions or any waiver of compliance therewith, no such amendment, modification or waiver are to any manner constitute an

amendment, modification or waiver of the provisions thereof as incorporated herein without the prior written consent of the Bank.

Section 5.24. Dealer; Issuing and Paying Agent. The District shall not, without the prior written consent of the Bank (such consent not to be unreasonably withheld), appoint a successor Dealer or Issuing and Paying Agent. The District shall, with respect to the Commercial Paper Notes, at all times maintain a Dealer and an Issuing and Paying Agent pursuant to the terms of the Related Documents. Any dealer agreement with a successor dealer shall provide that (a) such Dealer may resign only upon appointment of a successor dealer, (b) such dealer shall use its best efforts to sell the Commercial Paper Notes up to the Maximum Note Rate without regard to the Advance Rate or Term Loan Rate, (c) such dealer shall offer the Commercial Paper Notes at the Maximum Note Rate permitted under the Related Documents and (d) if such dealer fails to perform its duties under such dealer agreement (including, without limitation, an inability or failure to sell Commercial Paper Notes for thirty (30) consecutive days, to pay maturing Commercial Paper Notes), the District, at the written request of the Bank, will replace such dealer with a dealer satisfactory to the Bank.

Section 5.25. Consolidation, Merger, etc. The District will not liquidate or dissolve or otherwise dispose of all or substantially all of its assets (whether in a single transaction or a series of transactions) or merge into another Person or permit one or more other Persons to consolidate with or merge into it, unless each of the following conditions shall have been fulfilled: (i) after giving effect to such disposition, consolidation or merger, no Default or Event of Default will have occurred and be continuing; (ii) the Person to which such disposition is made or the Person surviving such consolidation or merger (if such Person is not the District) assumes in writing, reasonably satisfactory in form and substance to the Bank, the performance of all of the obligations, covenants, agreements and conditions of this Agreement and the Related Documents; and (iii) the District shall have given to the Bank not less than 30 days' prior written notice of such disposition, merger or consolidation and furnished to the Bank (a) all such information concerning such disposition, consolidation or merger as the Bank shall have reasonably requested, and (b) a certificate of an appropriate officer of the District to the effect that each of the conditions precedent to such disposition, merger or consolidation contained in this Section 5.27 has been fulfilled.

Section 5.26. Payment Obligations. The District shall promptly pay or cause to be paid all amounts payable by it hereunder and under the other Related Documents, as applicable, according to the terms hereof or thereof.

Section 5.27. Swap Termination Payments. In no event shall any lien on the Collateral securing any swap termination payments be first in priority to or *pari passu* with the lien granted in support of the Bank Note and the obligations under the Order.

Section 5.28. Further Assurances. The District shall, upon the request of the Bank, from time to time, execute and deliver and, if necessary, file, register and record such further financing statements, amendments, confirmation statements and other documents and instruments and take such further action as may be reasonably necessary to effectuate the provisions of this Agreement and the Related Documents. The District will pay or cause to be paid all filing, registration and recording fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment of such instruments of further assurance, and all federal or state fees and other similar

fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Agreement, the Related Documents and such instruments of further assurance.

Section 5.29.Maintenance of Approvals; Filings, Etc. The District shall at all times maintain in effect, renew and comply with all the terms and conditions of all consents, licenses, approvals and authorizations as may be necessary or appropriate under any applicable law or regulation for its execution, delivery and performance of this Agreement and the other Related Documents.

Section 5.30.Accuracy of Information. All data, certificates, reports, opinions of counsel, documents and other information furnished to the Bank, whether pursuant to this Agreement, or in connection with or pursuant to an amendment or modification of, or waiver under, this Agreement shall, at the time the same are so furnished, (i) be complete and correct in all material respects, and (ii) not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements contained therein not misleading, and the furnishing of the same to the Bank shall constitute a representation and warranty by the District to that effect. Each financial statement furnished to the Bank, whether pursuant to this Agreement, or in connection with or pursuant to an amendment or modification of, or waiver under, this Agreement, shall, at the time the same is so furnished, fairly present the financial condition and results of operations of the District.

Section 5.31.Immunity. To the extent permitted by applicable law and to the extent that it hereinafter has or acquires any such immunity, the District shall waive immunity on the grounds of sovereignty or similar grounds solely with respect to (i) relief by writ of mandamus to perform its obligations under this Agreement, or (ii) enforcement by writ of mandamus of its payment obligations with respect to the Commercial Paper Notes or other amounts due under this Agreement or the Fee Letter.

ARTICLE VI

DEFAULTS AND REMEDIES

Section 6.01.Events of Default. One or more of the following events ("*Events of Default*") shall have occurred and be continuing:

(a) the District shall fail to pay (i) any principal of or interest on the Bank Note, any Advance, Loan or any Term Loan when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) (other than payments on Loans or the Bank Note due solely as a result of acceleration caused by the Bank, pursuant to Section 6.02), or (ii) any principal of or interest under the Bank Note which is declared due and payable pursuant to the provisions of Section 6.02, or (iii) any Commitment Fee or any other amount payable hereunder and under the other Related Documents;

(b) any representation, warranty, certification, or statement made by the District in this Agreement or in any certificate, financial statement, or other document delivered pursuant to this Agreement shall prove to have been incorrect in any material respect when made or deemed to have been made;

(c) breach by the District of any covenant, agreement, or condition contained in Section 5.01(d), 5.01(e), 5.03, 5.04, 5.06, 5.07, 5.09, 5.13, 5.15, 5.17, 5.18, 5.19. 5.21, 5.25, 5.27, or 5.31 hereof;

(d) breach by the District of any other covenant, agreement, or condition (other than those referred to or contained in clauses (a), (b), or (c) above) contained in this Agreement or the Bank Note and the continuation thereof for more than forty-five (45) days;

(e) (i) one or more final unappealable judgments or orders for the payment of money which individually or in the aggregate exceed $10,000,000 shall be rendered against the District and such judgment or order shall continue unsatisfied and unstayed for a period of 60 days, or (ii) the District shall have failed promptly to lift any execution, garnishment, or attachment pursuant to such judgment or order as, in the written opinion of an Authorized Official, will impair the District's ability to carry on its business;

(f) the District shall fail to pay when due and payable (i) any principal of or interest on any general obligation Modified Indebtedness (including, in each case, without limitation, any principal or sinking fund installments but excluding a failure to pay any amount which has been accelerated pursuant to the terms of a letter of credit, credit agreement, standby bond purchase agreement or other similar instrument), and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, order, resolution or instrument providing for the creation of or concerning such Modified Indebtedness; or any failure to pay principal or interest on any general obligation Modified Indebtedness under any indenture, order, resolution or instrument providing for the creation of or concerning such Modified Indebtedness shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to pay principal or interest on such Modified Indebtedness is to accelerate, or to permit the acceleration of, the maturity of such Modified Indebtedness; or (ii) any principal of or interest on any other general obligation Indebtedness of the District and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation thereof or any other default under any indenture, contract or instrument providing for the creation of or concerning such other Indebtedness, or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such default or event is to accelerate, or to permit the acceleration of, the maturity of such other debt;

(g) the District shall (i) commence a voluntary case, petition, or other proceeding or other action (x) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts or (y) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or the District shall make a general assignment for the benefit of its creditor or admit in writing its inability

to pay its debts generally as they become due or shall become insolvent within the meaning of Section 101(32) of the United States Bankruptcy Code;

(h) a receiver, liquidator, custodian, or other official, appointed in an involuntary case or proceeding commenced against the District, appointed without consent or acquiescence of the District, takes charge of the District and such action as to the District is not stayed, discharged, or vacated for a period of sixty (60) days;

(i) (i) an involuntary case or other proceeding shall be commenced against the District seeking (x) liquidation, reorganization, or other relief with respect to the District's bonds or other obligations under any bankruptcy, insolvency, or other similar law now or hereafter in effect or (y) the appointment of a custodian, receiver, liquidator, trustee or other similar official of the District, and such proceeding or case shall not be dismissed or stayed within sixty (60) days after the filing thereof, or (ii) an order of relief shall be entered against the District under federal bankruptcy laws as now or hereafter in effect;

(j) (i) any provision of this Agreement or any other Related Documents (other than the Dealer Agreement and the Fee Agreement) relating to the District's ability to make payments on the Commercial Paper Notes or the Bank Note or to raise funds to meet such payment obligations or the pledge of and lien on the Collateral, in any case, shall at any time for any reason cease to be valid and binding or fully enforceable on the District as a result of federal or state legislative or administrative action, or shall be declared in a final non-appealable judgment by any court having jurisdiction over the District to be null and void, invalid, or unenforceable, (ii)(x) the validity or enforceability of any provision of this Agreement or any other Related Documents (other than the Dealer Agreement and the Fee Agreement) referred to in clause (i) of this subsection (j) shall be contested by the District, (y) the District shall deny that the District has any payment obligations on the Commercial Paper Notes or the Bank Note or (z) the District shall repudiate such payment obligations or (iii) any material provision of this Agreement or the other Related Documents other than the provisions described in clause (i) of this subsection (j) shall at any time for any reason cease to be valid and binding on the District as a result of federal or state legislative or administrative action, or shall be declared in a final non-appealable judgment by any court having jurisdiction over the District to be null and void, invalid, or unenforceable, or the validity or enforceability thereof shall be contested by the District;

(k) the Order shall be modified or amended in any way without the prior written consent of the Bank;

(l) S&P, Fitch, and Moody's shall have (i) assigned any general obligation Indebtedness of the District a long-term rating below "BBB-" (S&P and Fitch) and "Baa3" (Moody's), or (ii) suspended or withdrawn ratings of the Commercial Paper Notes or any other general obligation Indebtedness of the District for credit related reasons;

(m) to the extent that it has provided (and at such time maintains) a rating on a series of District general obligation bonds, S&P, Fitch, or Moody's shall have assigned any general obligation Indebtedness of the District a long-term rating below "A" (S&P and Fitch) or "A2" (Moody's);

(n) the imposition of federal taxation on interest received by any holder of the Commercial Paper Notes;

(o) (i) the District shall impose a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any general obligation Modified Indebtedness of the District that ranks senior to or on a parity with the Commercial Paper Notes and the Bank Note or (ii) any Governmental Authority having appropriate jurisdiction over the District shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the Commercial Paper Notes and the Bank Note or on all general obligation Indebtedness of the District;

(p) an "event of default", as defined in any Related Document, shall (subject to any materiality standard, periods of grace, or opportunity to cure as may be provided in the subject Related Document) have occurred; or

(q) an "event of default" under the JPMorgan Note Purchase Agreement shall have occurred.

Section 6.02. Remedies. (a) Upon the occurrence of any Special Event of Default, the Commitment shall immediately terminate, and the Bank shall have no obligation to make Loans to purchase then Outstanding Commercial Paper Notes upon maturity. Further, the Bank may declare the Bank Note, all accrued interest thereon, and all other amounts payable under this Agreement to be forthwith due and payable, whereupon the Bank Note and such interest and all such amounts shall become and be forthwith due and payable to the extent permitted by law without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the District; *provided*, *however*, payment by the District is to be made when such amounts are declared due and payable, from the District's ad valorem debt service tax revenues and lawfully available for such purpose, but to the extent the District determines that such funds are not available, shall not be due and payable prior to February 1 of the calendar year immediately following the date the Board next adopts an order levying ad valorem taxes for the payment thereof.

(b) Upon the occurrence of any Event of Default, interest shall be charged on the unpaid principal balance of the Loan at the Default Rate commencing on the date on which the event occurred, after any applicable cure or grace period, giving rise to such Event of Default. Further, upon failure by the District to pay the Commitment Fee or any other amount payable hereunder, such unpaid Commitment Fee or other amount shall accrue interest at the Default Rate, commencing on the date on which the event occurred; *provided*, *however*, payment by the District of such additional interest due to the Bank shall be made when such amounts are due and payable, from the District's ad valorem

debt service tax revenues lawfully available for such purpose, but to the extent the District determines that such funds are not available, shall not be due and payable prior to February 1 of the calendar year immediately following the date the Board next adopts an order levying ad valorem taxes for the payment thereof.

(c) Upon the occurrence of an Event of Default that is not a Special Event of Default, the Bank, may (i) issue a No-Issuance Notice and instruct the Dealer and the Issuing and Paying Agent to terminate the marketing and remarketing of the Commercial Paper Notes and (ii) by notice to the District and the Issuing and Paying Agent terminate the Commitment, if any (except as provided below), and the Commitment shall thereupon terminate; *provided*, *however*, the Commitment shall not terminate and the Bank shall not be relieved of its obligation to make Loans in accordance with the terms of Article II hereof to the extent, but only to the extent, necessary for the District to make required payments of principal of and interest on the Commercial Paper Notes issued and sold prior to the time a No-Issuance Notice is received by the Issuing and Paying Agent; *provided further* that if any Loans are made that would not have been made but for the application of the immediately preceding provision, such Loans shall be immediately due and payable on the date such Loans are made; *provided*, *however*, payment by the District is to be made when such amounts are declared due and payable, from the District's ad valorem debt service tax revenues lawfully available for such purpose, but to the extent the District determines that such funds are not available, shall not be due and payable prior to February 1 of the calendar year immediately following the date the Board next adopts an order levying ad valorem taxes for the payment thereof.

(d) Upon the occurrence of a Default under Section 6.01(h) or (i) hereof prior to the expiration of the 60-day period described in such sections, the obligations of the Bank to make Loans hereunder shall be suspended and remain suspended until the case, proceeding, order, or other action referred to such section is either dismissed or stayed within sixty (60) days from the commencement of such case, proceeding, order, or other action or the termination of this Available Commitment occurs, whichever is first. In the event such case, proceeding, order or other action is terminated prior to the 60-day period, the obligations of the Bank to make Loans hereunder shall be reinstated and the terms of this Agreement will continue in full force and effect (unless the obligations of the Bank to make Loans hereunder shall have otherwise expired or terminated in accordance with the terms hereof or there has occurred a Special Event of Default) as if there had been no such suspension.

(e) Failure to take action in regard to one or more Defaults or Events of Default shall not constitute a waiver of, or the right to take action in the future in regard to, such or subsequent Defaults or Events of Default.

Section 6.03. Suits at Law or in Equity and Mandamus. In the case one or more Events of Default shall occur, then and in every such case the Holders of the Bank Note shall be entitled to proceed to protect and enforce such Holders' rights by such appropriate judicial proceeding as such Holder shall deem most effectual to protect and enforce any such right, either by suit, in equity, or by action at law, whether for the specific performance of any covenant or agreement contained in this Agreement, or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable

right vested in the Holder by this Agreement or the Bank Note or by law. The provisions of this Agreement shall be a contract with each and every Holder and the duties of the District may be enforceable by any Holder by mandamus or other appropriate suit, action, or proceeding in any court of competent jurisdiction.

Section 6.04. Cross Defaults. If there shall be an event of default under any other document authorizing the issuance of any general obligation bonds by the District, the District shall not issue any additional Commercial Paper Notes until such event of default is cured or remedied.

Section 6.05. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Bank or the Holders is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statutute or otherwise, and may be exercised at any time or from time to time, and as often as may be necessary, by the Bank or any Holder.

ARTICLE VII

MISCELLANEOUS

Section 7.01. Net of Taxes, Etc.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of the District hereunder or under any other Related Document shall to the extent permitted by Applicable Law be made free and clear of and without reduction or withholding for any Taxes. If, however, Applicable Law requires the District or the Bank to withhold or deduct any Tax, such Tax shall be withheld or deducted in accordance with such Applicable Law as determined by the District or the Bank, as the case may be, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If the District or the Bank shall be required by the Code to withhold or deduct any Taxes, including both United States Federal backup withholding and withholding taxes, from any payment, then (A) the Bank shall withhold or make such deductions as it shall determine to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) the Bank shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the Code, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable by the District shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section) the Bank receives

an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the District. Without limiting the provisions of subsection (a) above, the District shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with Applicable Law.

(c) Tax Indemnifications.

(i) Without limiting the provisions of subsection (a) or (b) above, the District shall, and does hereby, to the extent permitted by the Laws of the State of Texas, indemnify the Bank and shall make payment in respect thereof within 30 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) withheld or deducted by the District or the Bank, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of any such payment or liability delivered to the District by the Bank shall be conclusive absent manifest error.

(ii) Without limiting the provisions of subsection (a) or (b) above, the Bank shall, and does hereby, indemnify the District, and shall make payment in respect thereof within 30 days after written demand therefor, against any and all Taxes and any and all related losses, claims, liabilities, penalties, interest and expenses (including the fees, charges and disbursements of any counsel for the District) incurred by or asserted against the District by any Governmental Authority as a result of the failure by the Bank to deliver, or as a result of the inaccuracy, inadequacy or deficiency of, any documentation required to be delivered by Bank to the District pursuant to subsection (e).

(d) Evidence of Payments. Upon request by the District or the Bank, as the case may be, after any payment of Taxes by the District or by Bank to a Governmental Authority as provided in this Section 7.01, the District shall deliver to the Bank or the Bank shall deliver to the District, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Applicable Law to report such payment or other evidence of such payment reasonably satisfactory to the District or the Bank, as the case may be.

(e) Status of Bank; Tax Documentation.

(i) Bank shall deliver to the District, at the time or times prescribed by Applicable Law or when reasonably requested by the District, such properly completed and executed documentation prescribed by

Applicable Law or by the taxing authorities of any jurisdiction and such other reasonably requested information as will permit the District to determine (A) whether or not payments made hereunder or under any other Related Document are subject to Taxes, (B) if applicable, the required rate of withholding or deduction, and (C) the Bank's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of all payments to be made to the Bank by the District pursuant to this Agreement or otherwise to establish Bank's status for withholding tax purposes in the applicable jurisdiction.

(ii) Without limiting the generality of the foregoing, if the District is resident for tax purposes in the United States, the Bank shall deliver to the District executed originals of Internal Revenue Service Form W-9 or such other documentation or information prescribed by applicable Laws or reasonably requested by the District as will enable the District to determine whether or not the Bank is subject to backup withholding or information reporting requirements.

(iii) Bank shall promptly (A) notify the District of any change in circumstances which would modify or render invalid any claimed exemption or reduction, and (B) take such steps as shall not be materially disadvantageous to it, in the reasonable judgment of the Bank, and as may be reasonably necessary (including the re designation of its Lending Office) to avoid any requirement of Applicable Laws of any jurisdiction that the District make any withholding or deduction for taxes from amounts payable to the Bank.

(f) Survival. All of the District's obligations under this Section 7.01 shall survive termination of the Commitment and repayment of all other Obligations hereunder and under the Fee Agreement

Section 7.02. Increased Costs.

(a) In the event that after the date of the execution hereof any Change in Law shall either:

(i) limit the deductibility of interest on funds obtained by the Bank to pay any of its liabilities or subject the Bank to any tax, duty, charge, deduction or withholding on or with respect to payments relating to the Bank Note, the Term Loan or any Banking Arrangements, or any amount paid or to be paid by the Bank hereunder or under the Fee Agreement (other than any tax measured by or based upon the overall net income of the Bank imposed by any jurisdiction having control over the Bank);

(ii) impose, modify, require, make or deem applicable to the Bank any reserve requirement, capital requirement, special deposit requirement, insurance

assessment or similar requirement against any assets held by, deposits with or for the account of, or loans or commitments by, a domestic office of the Bank;

(iii) change the basis of taxation of payments due the Bank under this Agreement, the Fee Agreement, the Bank Note, the Term Loan or any Banking Arrangements (other than by a change in taxation of the overall net income of the Bank); or

(iv) impose upon the Bank any other condition with respect to any amount paid or payable to or by the Bank or with respect to this Agreement, the Fee Agreement, the Bank Note, the Term Loan or any Banking Arrangements;

(v) and the result of any of the foregoing shall be to increase the cost to the Bank of extending, issuing or maintaining any of the Banking Arrangements or to reduce any amount (or the effective return on any amount) received or receivable by the Bank in connection with the Banking Arrangements (which increase in cost or reduction in yield shall be the result of the Bank's reasonable allocation, in a nondiscriminatory manner among borrowers having obligations to the Bank similar to those of the District, of the aggregate of such cost increases or yield reductions resulting from such event), then, to the extent permitted by law, the District shall pay to the Bank, from time to time as specified by the Bank, additional amounts which shall be sufficient to compensate the Bank for all such increased costs or reductions in yield and shall be paid to the Bank as provided for in clause (d) below.

(b) Capital Adequacy. If the Bank shall have determined that a Change in Law has or would have the effect of reducing the rate of return on capital of the Bank as a consequence of its obligations hereunder to a level below that which the Bank could have achieved but for such adoption, change or compliance (taking into consideration the policies of the Bank with respect to capital adequacy) by an amount deemed by the Bank to be material, upon written request of the Bank and to the extent permitted by law, the District shall pay to the Bank from time to time, as specified by the Bank, such additional amount or amounts as will compensate the Bank for such reduction from the date of such Change in Law together with interest on each such amount from the date payment is demanded until the earlier of the date of payment in full as provided in clause (c) below.

(c) Certificates for Reimbursement. All payments of amounts referred to in paragraphs (a) and (b) of this Section shall be due thirty (30) calendar days following the District's receipt of notice thereof. Interest on the sums due as described in paragraphs (a) and (b) of this Section 7.02, shall begin to accrue from the date when the payments were first due and shall otherwise be payable in accordance with Section 2.08 hereof; provided, that from and after the required date of payment, interest shall begin to accrue on such obligations at a rate per annum equal to the Default Rate until such delinquent payments have been paid in full. A certificate as to such increased cost, increased capital or reduction in return incurred by the Bank as a result of any event mentioned in paragraphs (a) or (b) of this Section 7.02 setting forth, in reasonable detail, the basis for calculation and the amount of such calculation shall be submitted by the Bank to the District and shall be conclusive (absent manifest error) as to the amount thereof. In

making the determinations contemplated by the above referenced certificate, the Bank may make such reasonable estimates, assumptions, allocations and the like that the Bank in good faith determines to be appropriate.

(d) Notwithstanding anything contained in Section 7.02, the District shall have no liability to the Bank for any increased costs, increased capital or reduction in return to the extent incurred by the Bank more than one (1) year prior to the date the above described certificate is given to the District with respect thereto (the "Cut-Off-Date"), except where (A) the Bank, through no fault of its own (including dereliction of duty to know), had no actual knowledge of the action resulting in such increased costs as of the Cut-Off-Date or (B) such increased costs apply to the Bank retroactively to a date prior to the Cut-Off-Date. If the Bank shall impose increased costs pursuant to this Section 7.02 then the District shall be able to terminate this agreement as provided in Section 2.06 hereof; provided however, such termination shall be permitted without payment of a Termination Fee.

(e) Survival. All of the District's obligations under this Section 7.02 shall survive termination of the Commitment and repayment of all other Obligations hereunder and under the Fee Agreement.

Section 7.03.Notices and Accounts. Except as otherwise provided herein, all notices, requests, and other communications to any party hereunder shall be in writing (including telecopy, bank wire, or similar writing) and shall be given to such party at its address set forth on the signature pages hereof or such other address (physical or electronic) or telecopy number as such party may hereafter specify for the purpose of giving notice. Each such notice, request or other communication shall be effective (i) if given by telecopy, when such telecopy is transmitted to the telecopy number hereafter specified by any party for the purpose of giving notice and the appropriate acknowledgment is received, (ii) if given by mail, 72 hours after such communication is deposited in the United States mail with first class postage prepaid, addressed as aforesaid, or (iii) if given by any other means, when delivered at the address specified in this Section; *provided*, *however*, that notices to the Bank under Article II hereof shall not be effective until received. Notices to other parties shall be given at the following addresses or telecopy numbers or such other address or telecopy number hereinafter specified by such parties:

If to the District:

Fort Bend Independent School District
16431 Lexington Boulevard
Sugar Land, Texas 77479
Attention: Mr. Bryan Guinn
Chief Financial Officer
Telephone: (281) 634-5048
Email: Bryan.Guinn@fortbendisd.com

With a copy to: Suzanne.Owen@fortbendisd.com

If to the Bank:

All Notices, Information required under Section 5.01 and a copy of each Request for Advance:

All Notices and a copy of each Request for Advance:
383 Madison Avenue, Floor 3
Mail Code: NY1-M165
New York, NY 10179
Attention: Public Finance, Justin Wahn
Telephone: (212) 270-3813
Facsimile: (917) 456-3564
E-mail: justin.d.wahn@jpmorgan.com

Each Request for Advance and a copy of each other Notice:

JPMorgan Chase Bank, National Association
JPM-Delaware Loan Operations
500 Stanton Christiana Road, NCC5, Floor 01
Newark, DE 19713-2107
Attention: Contact Name – PFG Servicing
Telephone: Contact Number – 302-634-9588
Email/Fax: PFG_Servicing@jpmorgan.com

In each case, with a copy to:
E-mail: public.finance.notices@jpmorgan.com

If to the Issuing and Paying Agent:

Amegy Bank, a division of ZB, National Association
1801 Main Street, Suite 850
Houston, TX 77002
Telephone: (713)232-1919
Telecopy: (713)571-5010
Email: arla.scott@amegybank.com

If to the Dealer:

Citigroup Global Markets Inc.
390 Greenwich Street, 2nd Floor
New York, New York 10013
Attention: Short-Term Tax Exempt Trading
Telephone: 212.723.7082
Telecopy: 212.723.8939
Email: robert.j.demichiel@citi.com

If to S&P's:

S&P Global Ratings
25 Broadway
New York, New York 10004
Attention: Municipal Commercial Paper Ratings
Telephone: (212) 208-1811
Telecopy: (212) 412-0506

If to Fitch:

Fitch Ratings, Inc.
33 Whitehall Street
New York, New York 10004
Attention: Public Finance

Section 7.04. No Waivers. No failure or delay by the Bank or other Holders in exercising any right, power, or privilege hereunder or under the Bank Note or otherwise shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power, or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 7.05. Expenses. The District shall pay (i) to the Bank all reasonable out-of-pocket expenses of the Bank, including the costs of legal counsel to the Bank, in connection with the preparation of this Agreement as set forth in the Fee Agreement, (ii) the reasonable fees and disbursements of counsel to the Bank with respect to advising the Bank as to the rights and responsibilities under this Agreement and the Related Documents after the occurrence of a Default or an Event of Default, and (iii) all reasonable costs and expenses, if any, in connection with any amendment, modifications or waivers of the provisions hereof or the enforcement of this Agreement and any other documents which may be delivered in connection herewith or therewith, including in each case the reasonable fees and disbursements of counsel to the Bank. In addition, the District shall pay any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution, delivery, filing, and recording of this Agreement and the security described in the Related Documents and agrees, to the extent permitted by law, to hold the Bank harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such taxes and fees. Additionally, the District agrees, to the extent permitted by applicable law, to pay, after the occurrence of an Event of Default, all costs and expenses (including, without limitation, attorneys' fees, costs of settlement and out-of-pocket travel expenses) incurred by the Bank in enforcing any obligations or in collecting any payments due from the District hereunder by reason of such Event of Default or in connection with any refinancing or restructuring of the credit arrangements provided under this Agreement in the nature of a "workout" or of any insolvency or bankruptcy proceedings. The amounts set forth in (i) and (ii) above are payable within 30 days of receipt by the District of an invoice of such fees and expenses (following final execution of this Agreement).

Section 7.06. Amendments or Modification. Any provision of this Agreement or the Bank Note may be amended or modified if, but only if, such amendment or modification is in writing and is signed by the District and the Bank. The District shall promptly notify the Rating Agencies of any amendments or modifications of this Agreement. No amendment or modification shall, unless in writing and signed

by all parties, do any of the following: (a) reduce the principal of, or interest on, Advances or Term Loans, or reduce the Commitment Fees or any other fees or amounts payable to the Bank hereunder, (b) postpone any date fixed for any payment of principal of, or interest on, Advances, or Term Loans, or payment of Commitment Fees or any other fees or amounts payable to the Bank hereunder. No amendment, waiver or consent shall, unless in writing and signed by the Bank, affect the rights or duties of the Bank under this Agreement or any Related Document.

Section 7.07. Severability. Any provision of this Agreement which is prohibited, unenforceable, or not authorized shall be ineffective to the extent of such prohibition, unenforceability, or nonauthorization without invalidating the remaining provisions hereof.

Section 7.08. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

Section 7.09. Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Complete sets of counterparts shall be lodged with the District and the Bank.

Section 7.10. Payments. All payments made or advanced under this Agreement shall be in United States currency only.

Section 7.11. Governing Laws. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS; PROVIDED, HOWEVER, THAT THE OBLIGATIONS OF THE BANK UNDER THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

Section 7.12. Successor and Assigns, Participation. (a) The Bank's rights and obligations under this Agreement may not be assigned by the Bank, other than by operation of law to a successor or merged institution, unless (i) the District has received written notice from all Rating Agencies then rating the Commercial Paper Notes that the ratings of the Commercial Paper Notes, if any, issued by such Rating Agencies will not be lowered, suspended, or withdrawn as a result of such assignment; and (ii) the District has given its consent to such assignment, which consent shall be evidenced by a writing signed by an Authorized Official and shall not be unreasonably withheld. If such conditions have been satisfied and the assignor and assignee have consummated the assignment, then (i) the assignee shall be a Bank for all purposes hereunder; (ii) the assignor shall have no further obligation hereunder with respect to the assigned portion of the Commitment; (iii) the assignor shall deliver its Bank Note to the District; (iv) the District shall pay the assignor all unpaid accrued interest on the Bank Note; and (v) the District shall execute and deliver to the assignee a new Bank Note, payable to the order of the assignee, dated the date of such assignment and in the maximum principal amount of the assignee's portion of the Commitment. The District may not assign its rights or obligations under this Agreement, the Bank Note or the Fee Agreement.

(b) The District agrees that the Bank may enter into participation agreements with participants upon giving written notice to, but without the consent of, the District. Accordingly, the District confirms that all of its representations, warranties, covenants, certifications, and obligations under this Agreement and the Bank Note, as well as all rights under the lien and pledge securing the payment of the Bank Note and granted to

the Bank pursuant to the Order and Section 2.09 of this Agreement, are for the benefit of the participants as well as for the benefit of the Bank. No assignee, participant, or other transferee of the Bank's rights shall be entitled to receive any greater payment under Section 7.01 than the Bank would have been entitled to receive with respect to the rights transferred, unless such transfer is made with the District's prior written consent to that effect. In the event of any such grant by the Bank of a participation to a participant, the Bank shall remain responsible for the performance of its obligations hereunder and the District shall continue to deal solely and directly with the Bank. No such participation shall release or relieve the Bank of its obligations hereunder. The Bank shall make all Advances with its own funds whether or not it has entered into participation agreements.

(c) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, participants to the extent provided in subsection (b) of this Section and, to the extent expressly contemplated hereby, the related parties of the Bank) any legal or equitable right, remedy or claim under or by reason of this Agreement.

Section 7.13. Liability of the Bank. AS BETWEEN THE BANK AND THE DISTRICT, THE DISTRICT ASSUMES, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ALL RISKS OF THE ACTS OR OMISSIONS OF THE ISSUING AND PAYING AGENT AND THE DEALER WITH RESPECT TO THE USE OF ANY MONEY MADE AVAILABLE BY THE BANK IN ACCORDANCE WITH THIS AGREEMENT AND SHALL NOT PRECLUDE THE DISTRICT FROM PURSUING SUCH RIGHTS AND REMEDIES AS IT MAY HAVE AGAINST THE ISSUING AND PAYING AGENT OR THE DEALER UNDER ANY OTHER AGREEMENTS. NEITHER THE BANK NOR ANY OF ITS OFFICERS OR DIRECTORS SHALL BE LIABLE OR RESPONSIBLE FOR (A) THE USE WHICH MAY BE MADE OF ANY MONEY MADE AVAILABLE BY THE BANK IN ACCORDANCE WITH THIS AGREEMENT OR FOR ANY ACTS OR OMISSIONS OF THE ISSUING AND PAYING AGENT, AND THE DEALER IN CONNECTION THEREWITH; (B) THE VALIDITY, SUFFICIENCY, OR GENUINENESS OF ANY DOCUMENTS, DETERMINED IN GOOD FAITH BY THE BANK TO BE VALID, SUFFICIENT OR GENUINE, OR OF ANY ENDORSEMENT(S) THEREON, EVEN IF SUCH DOCUMENTS SHOULD IN FACT PROVE TO BE IN ANY OR ALL RESPECTS INVALID, INSUFFICIENT, FRAUDULENT, OR FORGED; (C) PAYMENT BY THE BANK AGAINST PRESENTATION OF DOCUMENTS DETERMINED IN GOOD FAITH BY THE BANK TO BE VALID, SUFFICIENT OR GENUINE, WHICH DO NOT STRICTLY COMPLY WITH THE TERMS OF THIS AGREEMENT; OR (D) ANY OTHER CIRCUMSTANCES WHATSOEVER IN MAKING OR FAILING TO MAKE PAYMENT UNDER THIS AGREEMENT, EXCEPT ONLY THAT THE DISTRICT SHALL HAVE A CLAIM AGAINST THE BANK, AND THE BANK SHALL BE LIABLE TO THE DISTRICT, TO THE EXTENT, BUT ONLY TO THE EXTENT, OF ANY DIRECT, AS OPPOSED TO CONSEQUENTIAL OR PUNITIVE, DAMAGES SUFFERED BY THE DISTRICT WHICH THE DISTRICT PROVES WERE CAUSED BY THE BANK'S NEGLIGENT OR WILLFUL FAILURE TO PAY UNDER THIS AGREEMENT AFTER THE PRESENTATION TO THE BANK BY AN AUTHORIZED REPRESENTATIVE OF THE ISSUING AND PAYING AGENT OF DOCUMENTS STRICTLY COMPLYING WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT. IN FURTHERANCE, AND NOT IN LIMITATION OF THE FOREGOING, THE BANK MAY ACCEPT DOCUMENTS THAT APPEAR ON THEIR FACE TO BE IN ORDER WITHOUT RESPONSIBILITY FOR FURTHER INVESTIGATION UNLESS THE BANK HAS RECEIVED ACTUAL NOTICE OR INFORMATION TO THE CONTRARY.

Section 7.14. Indemnification. IN ADDITION TO ANY AND ALL RIGHTS OF REIMBURSEMENT, INDEMNIFICATION, SUBROGATION, OR ANY OTHER RIGHTS PURSUANT HERETO OR UNDER LAW OR EQUITY,

THE DISTRICT HEREBY AGREES, TO THE EXTENT PERMITTED BY LAW, TO INDEMNIFY AND HOLD HARMLESS THE BANK AND ITS OFFICERS, DIRECTORS, AND AGENTS (THE "*INDEMNIFIED PARTIES*") FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, LOSSES, LIABILITIES, REASONABLE COSTS, OR REASONABLE EXPENSES WHATSOEVER (INCLUDING REASONABLE ATTORNEYS' FEES OF COUNSEL FOR THE INDEMNIFIED PARTIES THAT IS NOT AN EMPLOYEE OF AN INDEMNIFIED PARTY OR AN AFFILIATE) WHICH THEY MAY INCUR (OR WHICH MAY BE CLAIMED AGAINST THEM BY ANY PERSON OR ENTITY WHATSOEVER) AS A RESULT OF (A) ANY UNTRUE STATEMENT OR ALLEGED UNTRUE STATEMENT OF ANY MATERIAL FACT CONTAINED OR INCORPORATED BY REFERENCE IN THE INFORMATION SUPPLIED BY THE DISTRICT TO THE BANK OR TO THE DEALER IN CONNECTION WITH THE PERFORMANCE OF THEIR DUTIES UNDER THIS AGREEMENT OR THE RELATED DOCUMENTS, INCLUDING ANY DISCLOSURE DOCUMENT, OR THE OMISSION OR ALLEGED OMISSION TO STATE IN SUCH INFORMATION A MATERIAL FACT NECESSARY TO MAKE SUCH STATEMENTS, IN THE LIGHT OF CIRCUMSTANCES UNDER WHICH THEY ARE OR WERE MADE, NOT MISLEADING; OR (B) THE EXECUTION AND DELIVERY AND PERFORMANCE OF THIS AGREEMENT AND THE BANK NOTE AND THE TRANSACTIONS DESCRIBED HEREIN OR THEREIN OR PAYMENT OR FAILURE TO ADVANCE HEREUNDER; *PROVIDED*, *HOWEVER*, THAT THE DISTRICT SHALL NOT BE REQUIRED TO INDEMNIFY ANY INDEMNIFIED PARTY FOR ANY CLAIMS, DAMAGES, LOSSES, LIABILITIES, COSTS, OR EXPENSES TO THE EXTENT, BUT ONLY TO THE EXTENT, CAUSED BY THE INDEMNIFIED PARTY'S NEGLIGENCE OR WILLFUL MISCONDUCT. NOTHING UNDER THIS SECTION IS INTENDED TO LIMIT THE DISTRICT'S PAYMENT OBLIGATIONS CONTAINED ELSEWHERE IN THIS AGREEMENT. THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

Section 7.15. Emailed Documents. At the request of the District, this Agreement provides that demands for payment hereunder may be presented to the Bank by, among other methods, email. The District acknowledges and assumes all risks relating to the use of such emailed demands for payment (i) which are emailed by the District or Issuing and Paying Agent by an authorized representative of such party.

Section 7.16. Term of the Agreement. The term of this Agreement shall be until the payment in full of all principal of and interest on the Bank Note, the Commitment Fees, and all other amounts payable under this Agreement; *provided*, *however*, that notwithstanding any termination of this Agreement, the provisions of Sections 7.01, 7.04, 7.12 and 7.13 shall survive payment of the Bank Note and shall remain in full force and effect.

Section 7.17. Entire Agreement. THIS AGREEMENT AND THE RELATED DOCUMENTS CONSTITUTE THE ENTIRE AGREEMENT BETWEEN THE PARTIES HERETO WITH RESPECT TO THE TRANSACTIONS CONTEMPLATED HEREBY AND SUPERSEDE AND ARE IN FULL SUBSTITUTION FOR ANY AND ALL PRIOR AGREEMENTS AND UNDERSTANDINGS BETWEEN SAID PARTIES RELATING TO SUCH TRANSACTIONS.

THIS AGREEMENT AND THE RELATED DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN AGREEMENTS BETWEEN THE PARTIES.

Section 7.18. Waiver of Jury Trial. This Section concerns the resolution of any controversies or claims between the parties, whether arising in contract, tort, or by statute, including but not limited to, controversies or claims that arise out of or relate to: (i) this Agreement (including any renewals, extensions, or modifications); or (ii) any Related Document (collectively, a "*Claim*"). For the purposes of this provision only, the term "parties" shall include any parent corporation, subsidiary, or affiliate of

the bank involved in the servicing management, or administration of any obligation described or evidenced by this Agreement and the Related Documents. TO THE EXTENT PERMITTED BY LAW, THE PARTIES IRREVOCABLY AND VOLUNTARILY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY CLAIM. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THIS AGREEMENT.

Section 7.19.Patriot Act. The Lender is subject to the Patriot Act (as hereinafter defined) and hereby notifies the District that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Bank is required to obtain, verify, and record information that identifies the District which information includes the name and address of the District and other information that will allow the Bank to identify the District in accordance with the Patriot Act.

Section 7.20.Right of Setoff. If an Event of Default shall have occurred and be continuing, the Bank and its Affiliates are hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by the Bank or any such affiliate to or for the credit or the account of the District or any other party against any and all of the obligations of the District or such party now or hereafter existing under this Agreement or any other Related Document to the Bank, irrespective of whether or not the Bank shall have made any demand under this Agreement or any other Related Document and although such obligations of the District or such party may be contingent or unmatured or are owed to a branch or office of the Bank different from the branch or office holding such deposit or obligated on such indebtedness. The rights of the Bank and its affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that the Bank or its affiliates may have. The Bank agrees to notify the District promptly after any such setoff and application, *provided* that the failure to give such notice shall not affect the validity of such setoff and application. The Bank's right of set off under this Section 7.20 shall not apply to the District's CIGNA Flexible Spending Account and CIGNA Health Plan Account.

Section 7.21.Payments Set Aside. To the extent that any payment by or on behalf of the District is made to the Bank, or the Bank exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Bank in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred.

Section 7.22.Assignment to Federal Reserve Bank. The Bank may assign and pledge all or any portion of the obligations owing to it hereunder, under the Bank Note or under the Fee Agreement to any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any Operating Circular issued by such Federal Reserve Bank, *provided* that any payment in respect of such assigned obligations made by the District to the Bank in accordance with the terms of this Agreement shall satisfy the District's obligations hereunder in respect of such assigned obligation to the extent of such payment. No such assignment shall release the Bank from its obligations hereunder.

Section 7.23. No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Related Document), the District acknowledges and agrees that: (i) (A) the arranging and other services regarding this Agreement provided by the Bank are arm's length commercial transactions between the District, on the one hand, and the Bank on the other hand, (B) the District has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the District is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Related Documents; (ii) (A) the Bank has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor (including as a municipal advisor), agent or fiduciary for the District, or any other Person and (B) the Bank does not have any obligation to the District with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Related Documents; and (iii) the Bank and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the District, and the Bank does not have any obligation to disclose any of such interests to the District. To the fullest extent permitted by laws of the State of Texas, the District hereby waives and releases any claims that it may have against the Bank with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

Section 7.24. Counterparts/Electronic Signature.

This Agreement may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or "printouts," if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, "electronic signature" means a manually signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a "pdf" (portable document format) or other replicating image attached to an e mail message; and "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

Section 7.25. Dealing with the District, the Issuing and Paying Agent, and/or the Dealers. The Bank and its Affiliates may accept deposits from, extend credit to and generally engage in any kind of banking, trust or other business with the District, the Issuing and Paying Agent, and/or the Dealer regardless of the capacity of the Bank hereunder.

Section 7.26. Acknowledgement Regarding Any Supported QFCs.

To the extent that this Agreement provides support, through a guarantee or otherwise, for Swap Agreements or any other agreement or instrument that is a QFC (such support "QFC Credit Support" and each such QFC a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Related Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Related Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Related Documents were governed by the laws of the United States or a state of the United States.

Section 7.27. Bank Representations Regarding Form 1295. The Bank hereby certifies that as a publicly traded business entity or a wholly owned subsidiary of such an entity it is exempt under Section 2252.908(c)(4) of the Texas Government Code.

Section 7.28. Texas Government Code Section 2271.002 (No Boycott of Israel) Verifications.

The Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent the Note Purchase Agreement is a contract for goods or services, will not boycott Israel during the term of the Note Purchase Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. As used in this Section the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

Section 7.29. Texas Government Code Section 2252.152 (Sanctioned Company) Verifications.

The Bank hereby represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended, and posted on any of the following pages of such officer's internet website:

https://comptroller.texas.gov/purchasing/publications/divestment.php.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. As used in this Section the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

Section 7.30.Section 2274.002 Texas Government Code (No Discrimination Against Fossil-Fuel Companies) Verifications.

To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to enable the District to comply with such Section and to the extent such Section does not contravene applicable federal law or the Texas Constitution. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above. As used in this Section, the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit."

Section 7.31.Section 2274.002 Texas Government Code (No Discrimination Against Firearm Entities and Firearm Trade Associations) Verifications.

To the extent the Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session ("SB 19")), Texas Government Code, as amended, the Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates,

if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. The foregoing verification is made solely to enable the District to comply with such Section and to the extent such Section does not contravene applicable federal law or the Texas Constitution. As used in this Section, the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

As used in the foregoing verification and the following definitions,

a. 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by SB 19), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association,

b. 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by SB 19), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by SB 19, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by SB 19, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by SB 19, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

c. 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by SB 19), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal

income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

As used in this Section, the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

Section 7.32. Attorney General Standing Letter.

In addition to the verifications provided above, the Bank verifies that a standing letter has been filed with the Office of the Texas Attorney General with respect to the verifications, representations and covenants in Sections 7.28 through 7.31 made by the Bank, as required by the procedural rules of the Texas Attorney General, and such letter remains in effect as of the Effective Date of this Agreement.

Section 7.33. Bank Consents.

The Bank hereby consents to the adoption of the Order. The Bank further consents to the references made to the Bank in the Offering Memorandum, a form of which is attached to the Order.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

JPMorgan Chase Bank, National Association

By _____
Name: Justin D. Wahn
Title: Executive Director

EXHIBIT A

FORM OF BANK NOTE

Fort Bend Independent School District Commercial Paper Notes, Series A
Amended and Restated Revolving Credit Agreement

$161,095,891 _____, 2023

For value received, the FORT BEND INDEPENDENT SCHOOL DISTRICT (the "*District*"), an independent school district within, and a political subdivision of, the State of Texas, promises to pay, solely from the funds hereafter referred to, to the order of JPMorgan Chase Bank, National Association (the "*Bank*"), at the address provided in the Agreement (hereinafter defined), the aggregate unpaid principal amount of all Loans hereunder and under the Agreement, not to exceed ONE HUNDRED SIXTY ONE MILLION NINETY FIVE THOUSAND EIGHT HUNDRED NINETY ONE DOLLARS ($161,095,891) in principal amount at any one time outstanding, made by the Bank to the District hereunder, in lawful money of the United States of America, in federal or other immediately available funds, and to pay interest at the rates set forth in the Agreement on the actual unpaid principal amount hereof for each day outstanding from the date hereof until this Bank Note is paid in full, in like money and funds at such office. Interest shall be payable on the dates and manner set forth in the Agreement. Principal on this Bank Note shall be payable on the dates and manner set forth in the Agreement.

This Bank Note is subject to prepayment, and amounts prepaid prior to the last day of the Revolving Credit Period may be reborrowed, all pursuant to the terms and under the conditions of the Amended and Restated Revolving Credit Agreement, dated as of July 24, 2023 (but effective as of _____, 2023), between the District and the Bank (the "*Agreement*"), the terms of which are hereby incorporated by reference in this Bank Note). All terms used herein and not defined shall have the same meaning as in the Agreement. Reference is made to the Agreement for provisions as to the prepayment hereof and for reborrowing. Reference is also made to the Agreement for provisions providing for additional interest and other amounts to be payable under certain circumstances. If the Holder enforces this Bank Note upon Default or the occurrence of an Event of Default, the District shall reimburse the Holder for reasonable costs and expenses incurred by the Holder in collection, including attorneys fees and expenses as set out in Section 7.05 of the Agreement. This Bank Note shall be construed under and governed by laws of the State of Texas but Chapter 346, Texas, Finance Code, as amended, shall not apply.

This Bank Note, including the interest hereon, is payable solely from and secured by a lien on and a pledge of the Collateral and certain other available funds and proceeds of the District, all as set forth in Section 2.09 of the Agreement and Section 2.11 of the Order (as defined in the Agreement). This Bank Note constitutes a general obligation of the District. Further reference is made to the Agreement and the Order for the provisions relating to the security of this Bank Note and the duties and obligations of the District.

Made and executed as of the date and year first above written.

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

EXHIBIT B

NOTICE OF LOAN

TO: JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (the "*Bank*") under the Amended and Restated Revolving Credit Agreement, dated as of July 24, 2023 (but effective as of _____, 2023) between the Bank and the Fort Bend Independent School District (the "*District*") (the "*Agreement*")

The District, acting herein by the undersigned Issuing and Paying Agent, pursuant to Section 2.02 and related provisions of the Agreement, issues this Notice of Loan to be made under the Agreement as follows:

1. Business Day on which Loan is to be made ("*Loan Date*"): _____;

2. Aggregate Principal Amount of Loan: _____;

(Amount as to Principal Component _____)

(Amount as to Interest Component _____)

The Loan shall be available for the account of Holders of the Commercial Paper Notes at the Issuing and Paying Agent.

In connection with this Notice of Loan, the District certifies to the Bank that as of the date of this Notice of Loan no Special Event of Default or Suspension Event has occurred and is continuing. Capitalized terms herein are used with the meaning given in the Agreement.

Date of this Notice of Loan: _____

[ISSUING AND PAYING AGENT]

By _____
Issuing and Paying Agent

EXHIBIT C

NO-ISSUANCE NOTICE

_____, 20__

[ISSUING AND PAYING AGENT]
_____
_____
_____

Ladies and Gentlemen:

JPMorgan Chase Bank, National Association (the "*Bank*") and the Fort Bend Independent School District (the "*District*"), have entered into that certain Amended and Restated Revolving Credit Agreement dated as of July 24, 2023 (but effective as of _____, 2023) (the "*Agreement*"). Any term defined in the Agreement and used in this letter shall have the meanings ascribed to it in the Agreement.

[There exists a Default or an Event of Default] and this letter constitutes your notice thereof pursuant to Section 2.14 of the Agreement. [Describe Default or Event of Default] Effective as of your receipt of this notice, and until you receive written notice from the Bank that tins notice has been rescinded, you are instructed not to authenticate or deliver any Commercial Paper Notes.

Very truly yours,

[_____]

By _____
Name: _____
Title: _____

cc: Fort Bend Independent School District
ATTN: Chief Financial Officer

EXHIBIT D

CLOSING REPRESENTATIONS AS REQUIRED BY SECTION 3.01(d) OF THE REVOLVING CREDIT AGREEMENT

I, the undersigned Authorized Official, acting on behalf of the Fort Bend Independent School District (the "*District*"), pursuant to the Amended and Restated Revolving Credit Agreement, dated as of July 24, 2023, (but effective as of _____, 2023), by and between the District and JPMorgan Chase Bank, National Association (the "*Agreement*"), defined terms of which are herein incorporated by reference, do hereby certify as follows:

1. (a) Each of the representations and warranties of the District contained in the Agreement is true and correct in all material respects on and as of the date hereof as though made on and as of this date, and (b) as of the date hereof no Default or Event of Default has occurred or is continuing;

2. Except as heretofore disclosed by the District or as disclosed in the Memorandum (hereafter defined), no litigation is pending in any court or, to my knowledge, pending or threatened in any court to restrain or enjoin the issuance or delivery of the Fort Bend Independent School District Unlimited Tax Commercial Paper Notes, Series A and the Bank Note issued in connection therewith (collectively, the "*Commercial Paper Notes*") or the collection of the revenues and assets of the District pledged or to be pledged to pay the principal of and interest on the Commercial Paper Notes or the pledge thereof, or in any way contesting or affecting the validity of the Commercial Paper Notes, the Order authorizing the Commercial Paper Notes (the "*Order*"), or the Agreement, or contesting the powers of the District or contesting the authorization of the Commercial Paper Notes or the Order or contesting in any way the accuracy, completeness, or fairness of the Offering Memorandum prepared in connection with the issuance of the Commercial Paper Notes (the "*Memorandum*");

3. To the best of my knowledge, the statements and representations in the Memorandum are true and accurate, and insofar as the District and its affairs, including its financial affairs, are concerned, the Memorandum does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

4. There has not been any material and adverse change in the affairs or financial condition or operations of the District from that described in the Memorandum;

5. All conditions to the Effective Date in the Agreement have been met.

WITNESS MY HAND this ____ Day of _____, 20___.

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

EXHIBIT E

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

[TO COME]

EXHIBIT F

FORM OF FINAL DATE EXTENSION REQUEST

[Date]

JPMorgan Chase Bank, National Association
_____

_____
Attention: _____
Telecopy: _____

Re: Fort Bend Independent School District
Commercial Paper Notes, Series A
Final Date Extension Request

Ladies and Gentlemen:

Pursuant to Section 2.10 of that certain Amended and Restated Revolving Credit Agreement, dated as of July 24, 2023 (but effective as of _____, 2023), between the Fort Bend Independent School District (the "*District*") and the Bank, the District requests that the Final Date (as defined in the Revolving Credit Agreement) be extended to _____.

Very truly yours,

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

EXHIBIT G

FORM OF NO DEFAULT CERTIFICATE

_____, 20___

JPMorgan Chase Bank National Association
_____

_____

Attention: _____
Telecopy: _____

Dear Sir or Madam:

In accordance with Section 5.01(b) of the Amended and Restated Revolving Credit Agreement between the Fort Bend Independent School District and JPMorgan Chase Bank, National Association, dated as of July 24, 2023 (but effective as of _____, 2023), we have enclosed the No Default Certificate for the fiscal year ended June 30, 20__.

Very truly yours,

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

NO DEFAULT CERTIFICATE

AS REQUIRED BY SECTION 5.01(b) OF THE REVOLVING CREDIT AGREEMENT

Fort Bend Independent School District and JPMorgan Chase Bank, N.A., executed and delivered that Amended and Restated Revolving Credit Agreement (the "*Agreement*") dated as of July 24, 2023 (but effective as _____, 2023). Any term defined in the Agreement and used in this Certificate shall have the meaning ascribed to it in the Agreement.

I hereby certify that:

1. I am an Authorized Official.

2. The Board of Trustees for the Fort Bend Independent School District has kept, observed, performed and fulfilled, in all material respects, each and every of their obligations under the Agreement for the fiscal year ending June 30, 20__, and there exists no Default or Event of Default.

IN WITNESS WHEREOF, I have hereunto set my hand on the date set forth below.

Date: _____

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

A SECOND AMENDED AND RESTATED ORDER

AUTHORIZING, ESTABLISHING, APPROVING, CONFIRMING AND RATIFYING THE

$150,000,000

FORT BEND INDEPENDENT SCHOOL DISTRICT

UNLIMITED TAX COMMERCIAL PAPER PROGRAM

Adopted: July 24, 2023

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A SECOND AMENDED AND RESTATED ORDER AUTHORIZING, ESTABLISHING, APPROVING, CONFIRMING AND RATIFYING A COMMERCIAL PAPER PROGRAM UNDER WHICH WILL BE ISSUED FROM TIME TO TIME SHORT TERM OBLIGATIONS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $150,000,000 AT ANY ONE TIME OUTSTANDING TO PROVIDE INTERIM FINANCING TO PAY PROJECT COSTS FOR ELIGIBLE PROJECTS FOR THE DISTRICT; AUTHORIZING SUCH SHORT TERM OBLIGATIONS TO BE ISSUED, SOLD, AND DELIVERED AS COMMERCIAL PAPER NOTES IN ONE OR MORE SERIES AND ON A TAX-EXEMPT BASIS, AUTHORIZING THE EXECUTION OF LOAN NOTES, AND PRESCRIBING THE TERMS, FEATURES, AND CHARACTERISTICS OF SUCH INSTRUMENTS; APPROVING AND AUTHORIZING CERTAIN MEMBERS OF THE BOARD OF TRUSTEES AND DISTRICT STAFF TO ACT ON BEHALF OF THE DISTRICT IN THE SALE AND DELIVERY OF SUCH SHORT TERM OBLIGATIONS, WITHIN THE LIMITATIONS AND PROCEDURES SPECIFIED HEREIN AND IN ACCORDANCE WITH APPLICABLE LAW; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, SECURITY, AND DELIVERY OF SUCH SHORT TERM OBLIGATIONS, INCLUDING THE APPROVAL OF ONE OR MORE CREDIT AGREEMENTS PROVIDING LIQUIDITY SUPPORT THEREFOR AND APPROVING AMENDED AND RESTATED CREDIT AGREEMENTS; APPROVING THE USE OF AN OFFERING MEMORANDUM IN CONNECTION WITH THIS MATTER; ENACTING OTHER PROVISIONS INCIDENT AND RELATED TO THE SUBJECT AND PURPOSE OF THIS ORDER; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS the Board of Trustees (the "Board") of the Fort Bend Independent School District (the "District") called an election to be held on November 4, 2014 (the "2014 Election") for the purpose of obtaining the approval of the resident, qualified electors in the District of the issuance of obligations for the construction, acquisition, and equipment of school buildings in the District, for the purchase of the necessary sites for school buildings, and for the purchase of new school buses, including safety and security and technology infrastructure for the District (the "2014 Eligible Projects");

WHEREAS the Board called an election to be held on November 6, 2018 (the "2018 Election") for the purpose of obtaining the approval of the resident, qualified electors in the District of the issuance of obligations for the construction, acquisition, and equipment of school buildings in the District, including safety and security and technology infrastructure for the District, for the purchase of the necessary sites for school buildings, and for the purchase of new school buses (the "2018 Eligible Projects");

WHEREAS, the Board called an election to be held on May 6, 2023 (the "2023 Election," and together with the 2014 Election and 2018 Election, the "Elections") for the purpose of obtaining the approval of the resident, qualified electors in the District of three propositions for the issuance of obligations for the (i) construction, acquisition, capital renovation, and equipment of school buildings in the District, for the purchase of the necessary sites for school buildings, for the purchase of new school buses, for the retrofitting of school buses with emergency, safety, or security equipment, and for the purchase or retrofitting of vehicles to be used for emergency, safety, or security purposes under Proposition A, (ii) acquisition or update of District technology equipment, including student, teacher, and staff devices under Proposition B, and (iii) construction, acquisition, and equipment of a District natatorium under Proposition C (the "2023 Eligible Projects" and collectively with the 2014 Eligible Projects and the 2018 Eligible Projects, the "Eligible Projects");

WHEREAS, the Board hereby finds, determines and declares that the facilities and equipment to be acquired and constructed under Proposition A from the 2023 Election are eligible to be financed under a general proposition pursuant to Section 45.003(g), Texas Education Code;

WHEREAS, the Elections were held in accordance with the Constitution and laws of the State of Texas (the "State"), including the Texas Election Code; and upon canvassing the Election returns, the Board found that the resident, qualified electors in the District approved and authorized the issuance of $484,000,000 in obligations at the 2014 Election, $992,600,000 in obligations at the 2018 Election and $1,256,200,000 in obligations at the 2023 Election for the purposes noted above as authorized by the Constitution and laws of the State, including Sections 45.001 and 45.003(b)(1) of the Texas Education Code, and the payment of the principal of and interest on such obligations through the levy of an annual ad valorem tax, without limit as to rate or amount, on all taxable property within the District;

WHEREAS, the District has heretofore issued $470,750,000 of the $484,000,000 approved at the 2014 Election and has $13,250,000 of authorized but unissued obligations remaining from the 2014 Election (the "2014 Authorization");

WHEREAS, the District has heretofore issued $881,870,000 of the $992,600,000 approved at the 2018 Election and has $110,730,000 of authorized but unissued obligations remaining from the 2018 Election (the "2018 Authorization");

WHEREAS, the District has all of the $1,256,200,000 of authorized but unissued obligations approved at the 2023 Election remaining from the 2023 Election (the "2023 Authorization" and collectively with the 2014 Authorization and the 2018 Authorization, the "Authorization");

WHEREAS, the District (which has at least $100,000,000 in outstanding long-term debt with some of its long-term indebtedness rated in one of the four highest rating categories for long-term debt instruments by a nationally recognized rating agency for municipal securities without regard to the effect of any form of credit enhancement entered into in connection with the obligation) and is an "issuer" under Chapter 1371, Texas Government Code (the "Act") and is authorized to issue all or any portion of the aforesaid obligations as commercial paper notes, to execute and deliver one or more credit agreements (including related fee agreements) with respect

to such commercial paper notes and execute and deliver loan notes to evidence the District's reimbursement obligations under such credit agreements, all as provided in the Act;

WHEREAS, for the benefit of the District, the Board has established, pursuant to the provisions of the Act a commercial paper program known as the Fort Bend Independent School District Commercial Paper Program (the "Program") pursuant to an order adopted by the Board on October 17, 2016 (the "Original Order") and an Amended and Restated Order adopted by the Board on January 22, 2019 (the "First Amended and Restated Order"), pursuant to which Program the District issues from time to time commercial paper notes in one or more series, but currently in two series (notes of any such series, as further defined and described herein, the "Commercial Paper Notes"), for the purpose of providing the District with an interim financing program, as well as with ready access to capital as necessary to provide interim financing to pay costs of the Eligible Projects;

WHEREAS, under the Program, the District is permitted to issue from time to time, as obligations supported by the District's levy of ad valorem taxes (without limit as to rate or amount), the Commercial Paper Notes, the proceeds of which may be used for the purposes, shall have the characteristics, and shall be secured in the manner hereinafter described; provided however, the aggregate principal amount outstanding at any one time cannot exceed the lesser of the maximum principal amount of Commercial Paper Notes hereunder authorized and the amount of credit and liquidity support for the Commercial Paper Notes at any one time available;

WHEREAS, to provide certain credit and liquidity support for the Commercial Paper Notes, the Board previously entered into of one or more credit agreements, in connection with the issuance of the Commercial Paper Notes authorized pursuant to the Original Order with one or more banks in the aggregate principal amount of $100,000,000 and, in connection therewith, to execute one or more loan notes evidencing the District's repayment obligations thereunder;

WHEREAS, the District previously entered into the Initial Series A Credit Agreement relating to the Series A Notes and the Initial Series B Credit Agreement relating to the Series B Notes, both of which were with JPMorgan Chase Bank, National Association, to provide credit and liquidity support for these two initial series of Commercial Paper Notes in the aggregate principal amount of $100,000,000;

WHEREAS, the District previously amended the Program under the First Amended and Restated Order in accordance with the provisions of Section 6.1 of the Original Order to expand the capacity of the Program to $150,000,000 in order to more efficiently and effectively utilize the voted authority from the Elections, and in connection therewith the District approved (i) first amendments to the Initial Credit Agreements (as defined herein), (iii) an Amended and Restated Issuing and Paying Agent Agreement (as defined herein), (iv) an Amended and Restated Dealer Agreement (as defined herein), and (v) a form of Offering Memorandum; and

WHEREAS the District has from time to time entered into additional amendments to the Initial Credit Agreements as authorized under the Original Order and the First Amended and Restated Order and now desires to amend and restate the Initial Credit Agreements in connection with the addition of the 2023 Authorization to the Program;

WHEREAS, in order to facilitate the addition of the 2023 Authorization to the Program and the amendment and restatement of the Initial Credit Agreements under the Program, the District desires to adopt this Second Amended and Restated Order (the "Order") to amend and restate the terms of the Original Order and the First Amended and Restated Order, with the Order to become effective on August 17, 2023, which is a date on which no Series A Notes or Series B Notes are scheduled to be Outstanding under the First Amended and Restated Order or any Outstanding Series A Notes or Series B Notes will be paid in full with the proceeds of Commercial Paper Notes issued under this Order;

WHEREAS, JPMorgan Chase Bank, National Association, which is the Bank under the Series A Agreement and the Series B Agreement and sole Holder of the Series B Notes, has consented to the amendments to be made to the First Amended and Restated Order pursuant to this Order as provided in Section 6.1 of the First Amended and Restated Order;

WHEREAS, such short-term obligations proposed to be issued under the Program and the Order constitute obligations that the District intends to refund through the issuance of its unlimited tax bonds issued pursuant to Chapter 1207, as amended, Texas Government Code, as contemplated and permitted under Section 1371.057(c) of the Act;

WHEREAS, arrangements relating to such interim financing have been settled and the Board hereby finds and determines that the issuance of short-term obligations in the form of one or more series of Commercial Paper Notes, and loan notes with respect to revolving credit agreements, subject to the terms, conditions and limitations hereinafter prescribed, should be approved and authorized at this time;

WHEREAS, the Board wishes to authorize its Authorized Officials to provide such notices and take such actions as are necessary to facilitate the amendment of the First Amended and Restated Order and the Program; and

WHEREAS, the Board hereby finds and determines that the authorization and ratification of the Program to permit the issuance of Commercial Paper Notes thereunder, and the adoption of this Order, among other actions, approving the (1) preparation and entry into one or more amended and restated credit agreement and fee letter agreements with the Bank, and (2) preparation and distribution of an Offering Memorandum (as hereinafter defined) with respect to the Series A Notes;

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

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Unless the context shall indicate a contrary meaning or intent, the terms below defined, for all purposes of this Order or any order amendment or supplement hereto, shall be construed, are used and are intended to have the following meanings, to-wit:

"2014 Authorization" shall mean the authority to issue the remaining $13,250,000 in unlimited tax obligations to finance the costs of any 2014 Eligible Project approved by the voters of the District at the 2014 Election.

"2014 Election" shall mean the election held within the District on November 4, 2014.

"2014 Eligible Project" shall mean the construction, acquisition, and equipment of school buildings in the District, the purchase of the necessary sites for school buildings, and the purchase of new school buses, including safety and security and technology infrastructure for the District as authorized at the 2014 Election.

"2018 Authorization" shall mean the authority to issue the remaining $110,730,000 in unlimited tax obligations to finance the costs of any 2018 Eligible Project approved by the voters of the District at the 2018 Election.

"2018 Election" shall mean the election held within the District on November 6, 2018.

"2018 Eligible Project" shall mean the construction, acquisition, and equipment of school buildings in the District, including safety and security and technology infrastructure for the District, the purchase of the necessary sites for school buildings, and the purchase of new school buses for the District as authorized at the 2018 Election.

"2023 Authorization" shall mean the authority to issue the remaining $1,256,200,000 in unlimited tax obligations to finance the costs of any 2023 Eligible Project approved by the voters of the District at the 2023 Election.

"2023 Election" shall mean the election held within the District on May 6, 2023.

"2023 Eligible Project" shall mean the (i) construction, acquisition, capital renovation, and equipment of school buildings in the District, the purchase of the necessary sites for school buildings, the purchase of new school buses, for the retrofitting of school buses with emergency, safety, or security equipment, and the purchase or retrofitting of vehicles to be used for emergency, safety, or security purposes under Proposition A, (ii) acquisition or update of District technology equipment, including student, teacher, and staff devices under Proposition B, and (iii) construction, acquisition, and equipment of a District natatorium under Proposition C, all as authorized at the 2023 Election.

"Act" shall mean Chapter 1371, Texas Government Code, as amended.

"Amended and Restated Credit Agreement" or "Amended and Restated Credit Agreements," whether generally referred to individually or together, as applicable, shall mean the Series A Agreement and the Series B Agreement, as from time to time amended or supplemented, or a substitute Credit Agreement provided in lieu of either of the foregoing in accordance with the provisions of Sections 2.16 and 2.17 hereof.

"Amended and Restated Dealer Agreement" or "Dealer Agreement" shall mean the agreement, by and between the District and the Dealer(s) as approved under the First Amended and Restated Order and confirmed and ratified pursuant to Section 3.4 hereof, as may be amended,

supplemented or otherwise modified from time to time in accordance with its terms, or any similar agreement with a substitute or successor Dealer or Dealers.

"Amended and Restated Issuing and Paying Agency Agreement" or "Issuing and Paying Agency Agreement" shall mean the Issuing and Paying Agency Agreement between the District and the Issuing and Paying Agent, currently relating to the Series A Notes, as approved under the First Amended and Restated Order and confirmed and ratified pursuant to Section 3.3 hereof, as as may be from time to time amended or supplemented, or any subsequent agreement entered into with any Issuing and Paying Agent regarding any series of Notes.

"Authorization" shall mean, collectively, the 2014 Authorization, the 2018 Authorization, and the 2023 Authorization.

"Authorized Official" shall mean any of the President of the Board, the Vice President of the Board, the Secretary of the Board, the Superintendent of Schools, the Chief Financial Officer, and the Director of Business and Finance of the District, including any successor thereto or person holding any such position on an interim basis.

"Available Commitment" shall mean the aggregate commitment available in support of Notes of a particular series at any time under the terms of a Credit Agreement at such time valid and then in effect (and which includes, initially, the Initial Credit Agreements).

"Bank" shall mean initially and as applicable) JPMorgan Chase Bank, National Association, as the party that has executed and delivered the Series A Agreement and the Series B Agreement, and thereafter (i) an obligated financial institution under a substitute or additional Credit Agreement entered into under Sections 2.16 and 2.17 hereof, or (ii) in the event that the District has contracted with a syndicate of financial institutions under a single Credit Agreement (including the addition of a financial institution to either Initial Credit Agreement), such syndicate of financial institutions, the financial institution identified as the representative or agent of such syndicate of financial institutions, or any individual financial institution that is a part of such syndicate, as applicable or as identified by an Authorized Official.

"Bank Rate" shall mean the net effective interest rate payable to the Bank pursuant to the terms of any Credit Agreement; provided, however, that the Bank Rate shall never exceed the Maximum Interest Rate.

"Board" shall mean the Board of Trustees of the District.

"Bond Counsel" shall mean any firm or firms of nationally recognized bond counsel selected by the Board on behalf of the District, initially Bracewell LLP.

"Bonds" shall mean unlimited tax bonds of the District issued to refund/refinance any of the then-currently outstanding Notes pursuant to authority granted by Chapter 45, the Act, and/or Chapter 1207.

"Business Day" shall mean any day (i) when banks are not required or authorized by law or executive order to be closed in Houston, Texas or New York, New York, or (ii) when the New York Stock Exchange is not required or authorized by law or executive order to be closed. Unless

otherwise provided in the applicable Credit Agreement, any payments required hereunder to be made on any day which is not a Business Day may be made instead on the next succeeding Business Day, and no interest shall accrue on such payments in the interim.

"Calculation Agent" shall mean, with respect to the Series B Agreement, JPMorgan Chase Bank, National Association, as the "Calculation Agent" or any successor thereto, or, with respect to any Credit Agreement, such other entity serving the role of calculation agent for the purpose of calculating, from time to time, the applicable interest rate on Notes directly placed with a purchaser (which may include a Bank) under any Credit Agreement.

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

"Commercial Paper Notes," "Note," or "Notes" shall mean a note or notes of a particular series issued pursuant to the provisions of this Order, having the terms and characteristics specified in Section 2.2 hereof and in the form described in Section 2.6 hereof and including, initially, the Series A Notes and the Series B Notes.

"Chapter 45" shall mean Chapter 45, Texas Education Code, as amended.

"Chapter 1207" shall mean Chapter 1207, Texas Government Code, as amended.

"Credit Agreement" shall mean a loan agreement, revolving credit agreement, agreement establishing a line of credit, letter of credit, reimbursement agreement, insurance contract, commitments to purchase any debt, purchase or sale agreements, interest rate swap agreements, or commitments or other contracts or agreements authorized, recognized and approved by the Board as a Credit Agreement in connection with the authorization, issuance, security, or payment of the Notes, and which includes the Amended and Restated Credit Agreements.

"Dealer" or "Dealers" shall initially mean Citigroup Global Markets Inc., as the counterparty to the Amended and Restated Dealer Agreement dated as of January 22, 2019 but effective as of February 20, 2019, as approved by the Board in the First Amended and Restated Order (and currently relating only to the Series A Notes), and any other nationally recognized commercial paper dealer or co-dealer hereafter selected by the District to serve in such capacity with respect to any series of Notes.

"Depository" shall mean one or more official depository banks of the District.

"District" shall mean the Fort Bend Independent School District.

"DTC" shall mean The Depository Trust Company, New York, New York, and its successors and assigns.

"Elections" shall mean, collectively, the 2014 Election, the 2018 Election, and the 2023 Election.

"Eligible Investments" shall mean any or all of the authorized investments described in the Public Funds Investment Act, as amended, Chapter 2256, Texas Government Code, in which the District may purchase, sell and invest its funds and funds under its control or any other authorized investments as provided by the laws of the State of Texas.

"Eligible Project" shall mean, collectively, the 2014 Eligible Project, the 2018 Eligible Project, and the 2023 Eligible Project.

"Excess Earnings" shall mean the excess and any income attributable to such excess described in section 148(f)(2) of the Code.

"Event of Default" shall mean any event of default as defined in Section 5.1 hereof.

"Fee Letter" shall have the meaning ascribed to such term in any Credit Agreement and, initially, the respective Fee Letter, if any, described in each Initial Credit Agreement.

"First Amended and Restated Order" shall mean that certain order adopted by the Board on January 22, 2019, amending and restated the Original Order authorizing and establishing the Program.

"Fiscal Year" shall mean the fiscal year used by the District from time to time , now being the period of time beginning on July 1 and ending on June 30 of the next calendar year.

"Government Securities" shall mean (i) direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by, the United States of America; (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent; (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent; or (iv) any additional securities and obligations hereafter authorized by the laws of the State of Texas as eligible for use to accomplish the discharge of obligations such as the Notes.

"Holder" or "Noteholder" shall mean the registered owner of any Note as shown on the registration books maintained by the Registrar, but if a Note is not in registered form, such terms shall mean any person, firm, association, or corporation who is in possession of any Note drawn, issued or endorsed to such person, firm, association or corporation or to the order of such person, firm, association or corporation or to bearer or in blank.

"Initial Credit Agreement" or "Initial Credit Agreements," whether generally referred to individually or together, as applicable, shall mean the Series A Agreement and the Series B Agreement, as from time to time amended or supplemented (including the Amended and Restated Credit Agreement).

"Issuing and Paying Agent," "Paying Agent/Registrar" or "Registrar" shall mean any agent appointed pursuant to Section 2.2 hereof, or any successor to such agent.

"Loan" shall mean a loan made under and subject to the conditions set forth in any Credit Agreement.

"Loan Note" shall mean the promissory note or notes executed and delivered by the District pursuant to any Credit Agreement as evidence of loans made pursuant to any such Credit Agreement, to the extent required thereunder and having the characteristics contained therein and issued in accordance therewith, as the same shall be delivered pursuant to a Credit Agreement.

"Loan Note Rate" shall mean the applicable rate of interest payable on a Loan pursuant to a Loan Note related thereto, as further described and provided in the applicable Credit Agreement.

"Master Note" shall mean that form of Note relating to a particular series of Notes issued in book-entry form only and registered in the name of Cede & Co., as nominee of DTC or another securities depository pursuant to Section 6.11 hereof which is intended to evidence the District's aggregate obligations under all Notes of such particular series that are issued in book-entry form (and which relates, initially, only to the Series A Notes).

"Maximum Interest Rate" shall mean the lesser of 10% and the maximum net effective interest rate permitted by law to be paid on obligations issued or incurred by the District in the exercise of its borrowing powers (currently prescribed by Chapter 1204, as amended, Texas Government Code, or any successor provision); provided however, that the 10% limitation described above shall not relate to obligations arising under Credit Agreements (including Loan Notes) or Notes directly purchased by a Bank pursuant to a Credit Agreement (including, initially, the Series B Agreement).

"Maximum Maturity Date" shall mean the fortieth (40th) anniversary of the date of passage of this Order.

"Note Construction Fund" shall mean the fund so designated in Section 2.12 hereof.

"Note Date" shall have the meaning given to such term in Section 2.2 hereof.

"Note Payment Fund" shall mean the fund so designated in Section 2.10 hereof.

"Order" shall mean this Second Amended and Restated Order, as amended from time to time.

"Original Order" shall mean that certain order adopted by the Board on October 17, 2016, authorizing and establishing the Program.

"Outstanding" shall mean, as of the date of determination, all Notes theretofore delivered under this Order, except:

(1) Notes theretofore canceled and delivered to the District or delivered to the Issuing and Paying Agent for cancellation;

(2) Notes upon transfer of or in exchange for and in lieu of which other Notes have been delivered pursuant to this Order; and

(3) Notes under which the obligations of the District have been released, discharged or extinguished in accordance with the terms thereof.

"Program" shall mean the commercial paper program to be known as Fort Bend Independent School District Commercial Paper Program authorized, established, ratified and confirmed by this Order.

"Project Costs" shall mean all costs and expenses incurred in relation to Eligible Projects, including without limitation design, planning, engineering and legal costs, acquisition costs of land, interests in land, right-of-way and easements, construction costs, costs of machinery, equipment, and other capital assets incident and related to an Eligible Project, financing costs, including interest during construction and thereafter, underwriter's discount and/or fees, legal, financial, and other professional services, and reimbursement for such Project Costs attributable to Eligible Projects incurred prior to the issuance of any Notes.

"Registration Books" shall have the meaning given to such term in Section 2.9 hereof.

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

"Series A Agreement" shall mean the Amended and Restated Credit Agreement between the District and the Bank relating to those Commercial Paper Notes issued as Series A Notes, as amended, as approved and authorized pursuant to Section 2.15 hereof.

"Series A Notes" shall mean that series of Commercial Paper Notes designated "Fort Bend Independent School District Unlimited Tax Commercial Paper Notes, Series A".

"Series B Agreement" shall mean the Amended and Restated Credit Agreement between the District and the Bank relating to those Commercial Paper Notes issued as Series B Notes, as amended, as approved and authorized pursuant to Section 2.15 hereof.

"Series B Notes" shall mean that series of Commercial Paper Notes designated "Fort Bend Independent School District Unlimited Tax Commercial Paper Notes, Series B".

"State" shall mean the State of Texas.

"Term Loans" shall mean the unpaid principal amount of the Loans that are converted to "term loans" pursuant to a Credit Agreement.

Section 1.2. Construction of Terms Utilized in this Order. If appropriate in the context of this Order, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

ARTICLE II

ESTABLISHMENT OF PROGRAM; AUTHORIZATION OF NOTES

Section 2.1. General Authorization. Pursuant to authority conferred by and in accordance with the provisions of the Constitution and laws of the State, particularly the Act, Chapter 45, Chapter 1207 and the Elections, the Program is hereby authorized, established, confirmed and ratified under which Commercial Paper Notes in one or more series (and, initially, in two series) shall be and are hereby authorized to be issued from time to time in an aggregate principal amount at any one time Outstanding not to exceed ONE HUNDRED FIFTY MILLION DOLLARS ($150,000,000), to be designated and bear the title of "FORT BEND INDEPENDENT SCHOOL DISTRICT UNLIMITED TAX COMMERCIAL PAPER NOTES," and additionally distinguished alphabetically and by series (initially, as SERIES A and SERIES B, respectively) and in the form provided in Section 2.6 hereof, for the purpose of financing Project Costs of Eligible Projects; to refinance, renew or refund Notes issued pursuant to the provisions hereof and any Loan Notes issued pursuant to a Credit Agreement; and the Loan Notes shall be and are hereby authorized to be issued from time to time in the aggregate principal amount at any one time Outstanding not to exceed ONE HUNDRED FIFTY MILLION DOLLARS ($150,000,000), plus requisite interest coverage, for the purpose of evidencing Loans to pay the principal of and (as applicable) interest on the Notes of any particular series; all in accordance with and subject to the terms, conditions and limitations contained herein and in any Credit Agreement from time to time in effect and, initially, the Amended and Restated Credit Agreements. For purposes of this Section 2.1, any portion of Outstanding Notes to be paid from money on deposit in the Note Payment Fund and from the available proceeds of Notes or Bonds on the day of calculation shall not be considered Outstanding. The authority to issue Notes from time to time under the provisions of this Order shall exist until the Maximum Maturity Date, regardless of whether prior to the Maximum Maturity Date there are at any time no Notes outstanding. The designation of the Notes shall be made in accordance with the requirements of Section 2.4 hereof and the instructions to the Issuing and Paying Agent as described in Section 3.1 hereof.

Section 2.2. Terms Applicable to Notes - General. Subject to the limitations contained herein, Notes herein authorized shall be dated as of their date of issuance or prior thereto, but within 30 days of the date of issuance (the "Note Date"), as determined by an Authorized Official; shall bear no interest or bear interest at such rate or rates per annum computed on the basis of either actual days elapsed or twelve 30-day months whichever is applicable, and on a 365-day or 366-day year, or a 360-day year, whichever is applicable (but in no event in any case to exceed the Maximum Interest Rate in effect on the date of issuance thereof) as may be determined by an Authorized Official (pursuant to and by operation of the applicable terms of this Order), and all Notes authorized herein shall mature on or prior to the Maximum Maturity Date.

Subject to the limitations contained herein, the District reserves the right and has delegated to the designated Authorized Officials the ability to enter into the Initial Credit Agreements and/or one or more future Credit Agreements, each with a single bank provider or a syndicate of banks acting through a single administrative agent. Such Initial Credit Agreement or additional Credit Agreement may provide credit and/or liquidity support for Notes, whether directly purchased by a bank, privately placed or publicly offered on the municipal capital markets, and shall be evidenced

by one or more Credit Agreements substantially in the applicable form attached hereto as Exhibit A.

Subject to the Maximum Interest Rate limitation, Notes authorized to be issued hereunder without a fixed numerical rate of interest (that are interest bearing Notes) for the term thereof shall bear interest in accordance with a clearly stated formula or method of calculation as determined by an Authorized Official, or by a Calculation Agent, if any, pursuant to the terms of a Credit Agreement, and such formula or method of calculation shall be set forth in each Note.

Notes issued hereunder may contain terms and provisions for the redemption or prepayment thereof prior to maturity, subject to any applicable limitations contained herein, as shall be determined by an Authorized Official.

As determined from time to time by an Authorized Official in accordance with Section 2.3 and Section 3.1 hereof for each issuance of Commercial Paper Notes, Commercial Paper Notes shall be issued by series; provided, however, that, unless specifically determined otherwise by an Authorized Official, Commercial Paper Notes issued to refund outstanding Commercial Paper Notes or Loan Notes shall be of the same series and designated status for purposes of federal income tax treatment as the Commercial Paper Notes to be refunded, with no further action required by an Authorized Official. Nothing contained herein shall prohibit the District from refunding or refinancing Commercial Paper Notes of one series with Commercial Paper Notes of another series if authorized by the applicable Credit Agreement and approved by the Authorized Official.

Subject to applicable terms, limitations and procedures contained herein, Notes may be sold in such manner through a direct purchase by a bank or at public or private sale and at a price and under terms (within the interest rate and yield restrictions provided herein) as an Authorized Official shall approve at the time of the sale thereof; provided, however, that no price shall result in the realization of Note proceeds exceeding the Authorization or the amount of Notes authorized hereunder and under and pursuant to applicable law.

The Notes shall be issued in registered form, without coupons. The principal of, premium, if any, and interest on the Notes shall be payable in lawful money of the United States of America, without exchange or collection charges to the Holder of the Note; the principal thereof to be payable upon presentation and surrender of the Note at the corporate trust office of the Paying Agent/Registrar and interest thereon to be payable to the registered owner thereof either (i) by check sent by United States mail, first class, postage prepaid, to the address of the registered owner appearing on the Registration Books of the District maintained by the Paying Agent/Registrar or (ii) by such other method, acceptable to the Paying Agent/Registrar requested by the registered owner, but interest on a Note registered to bearer shall be payable only upon presentation of the Note at the principal corporate trust office of the Paying Agent/Registrar.

The selection and appointment of Zions Bancorporation, National Association, Amegy Bank Division, Houston, Texas to serve as Issuing and Paying Agent, Paying Agent/Registrar and Registrar for the Series A Notes, is hereby confirmed; the selection and appointment of JPMorgan Chase Bank, National Association, as the Bank under the Series B Agreement, to serve as Issuing

and Paying Agent, Paying Agent/Registrar and Registrar for the Series B Notes, is also hereby confirmed.

The District covenants to maintain and provide an Issuing and Paying Agent and Paying Agent/Registrar at all times while the Notes are outstanding, which shall be a national or state banking association or corporation or trust company organized and doing business under the laws of the United States of America or of any state and authorized under such laws to exercise trust powers. The District may appoint separate Issuing and Paying Agents and Paying Agent/Registrars for each series of Notes. The Issuing and Paying Agent and/or Paying Agent/Registrar for any series of Notes may be removed from its duties hereunder at any time with or without cause by action of the Board entered in its minutes and not less than 30 days' notice to each Holder specifying the substitution of another Issuing and Paying Agent and Paying Agent/Registrar for such affected series of Notes, the effective date thereof, and the address of such successor Issuing and Paying Agent and Paying Agent/Registrar, but no such removal shall become effective until such successor shall have accepted the duties of the Issuing and Paying Agent and/or Paying Agent/Registrar for such affected series of Notes hereunder by written instrument. Should a change in the Issuing and Paying Agent and/or Paying Agent/Registrar for a series of Notes occur, the District, acting through the Authorized Official, agrees to promptly cause a written notice thereof to be sent to each registered owner of the Notes of such series then Outstanding by United States mail, first class, postage prepaid. Such notice shall give the address of the successor Issuing and Paying Agent and/or Paying Agent/Registrar. A successor Issuing and Paying Agent and/or Paying Agent/Registrar may be appointed without the consent of the Holders.

The District and the Paying Agent/Registrar shall treat the registered owner thereof as the absolute owner of any Note for the purpose of receiving payment thereof and for all purposes, and the District and the Paying Agent/Registrar shall not be affected by any notice or knowledge to the contrary.

Section 2.3. Authorized Official. So long as any Notes remain Outstanding, each Authorized Official is hereby appointed, to act for and on behalf of the District, and authorized to carry out and discharge the purposes, duties and obligations set forth in this Order, any Issuing and Paying Agency Agreement, Credit Agreement and Dealer Agreement and for the purpose of renewing, extending, modifying or substituting any such agreement or entering into any other Credit Agreement upon the terms and conditions set out therein and herein. Each Authorized Official shall have the authority to appoint (subject to the requirements of this Order and any Issuing and Paying Agency Agreement, Credit Agreement, and Dealer Agreement) any one or more persons to act on behalf of the Authorized Official. Any such appointment(s) shall be in writing and shall be delivered to any Dealer, Issuing and Paying Agent and Bank within a reasonable time after such appointment(s).

Section 2.4. Commercial Paper Notes. Under and pursuant to the authority granted hereby and subject to the limitations contained herein, (i) Notes in the form of Commercial Paper Notes to be designated "Fort Bend Independent School District Unlimited Tax Commercial Paper Notes," initially issued as "Series A" and "Series B" and for which credit and/or liquidity support is initially provided under the applicable Amended and Restated Credit Agreement, are hereby authorized to be directly placed with a bank or issued and sold and delivered from time to time in

such principal amounts, as determined by an Authorized Official in denominations of $100,000 and integral multiples of $1,000 in excess thereof, alphabetically marked to indicate series, and numbered in ascending consecutive numerical order in the order of their issuance and to mature and become due and payable on such dates as an Authorized Official shall determine at the time of sale; provided, however, that no Commercial Paper Note shall (i) mature after the Maximum Maturity Date, (ii) mature after the Business Day that is three Business Days prior to the stated date of termination of any Credit Agreement then-relating to such series of Commercial Paper Notes, or (iii) have a term in excess of two hundred seventy (270) days; provided, however that the limitation contained in subsections (ii) and (iii) shall not apply to any term-out provisions contained in a Credit Agreement. Interest, if any, on Commercial Paper Notes shall be payable, with principal, at maturity, or at such other times as set forth in a Credit Agreement and approved by an Authorized Official.

Section 2.5. Loan Note. Under and pursuant to authority granted hereby and subject to the limitations contained herein and in any Credit Agreement, one or more Loan Notes relating to a series of Commercial Paper Notes, any such Loan Note to be designated "Fort Bend Independent School District Credit Agreement Loan Note," and further designated by series to conform to the series of related Notes (and to reference the Bank under the applicable Credit Agreement), are hereby authorized and approved in accordance with the terms of this Order and the applicable Credit Agreement. The form of such initial Loan Note shall be as set forth in each applicable Credit Agreement and may be exchanged or substituted in connection with the approval of amendments or revisions to the applicable Credit Agreement and/or this Order.

Section 2.6. Form of Notes. The Notes and the Certificate of Authentication to appear on each of the Notes shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions and other variations as are permitted or required by this Order, including any changes required to conform with the provisions of the applicable Credit Agreement, and may have such letters, numbers or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures (CUSIP)) and such legends (including insurance companies) and endorsements thereon as may, consistent herewith, be approved by an Authorized Official. Any portion of the text of any Notes may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Notes.

The Notes shall be printed, lithographed, or engraved or produced in any other similar manner, or typewritten, all as determined and approved by an Authorized Official.

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(a) Form of Notes.

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTY OF FORT BEND
FORT BEND INDEPENDENT SCHOOL DISTRICT
UNLIMITED TAX COMMERCIAL PAPER NOTE, SERIES __

No.: _____ Note Date:_____
Principal Amount:_____ Maturity Date:_____
Interest to Maturity:_____ Number of Days:_____
Due at Maturity: Interest Rate[1] (%):_____

Owner: _____

The Fort Bend Independent School District (the "District"), FOR VALUE RECEIVED, hereby promises to pay, solely from the sources hereinafter identified and as hereinafter stated, to the order of the Owner specified above on the Maturity Date specified above, the Principal Amount specified above and to pay interest, if any, on said Principal Amount at said [Maturity Date or interest payment date (as applicable)], from the above specified Note Date to said Maturity Date at the per annum Interest Rate shown above (computed on the basis of actual days elapsed and [a 365-day or 366-day year, as may be applicable][30/360]); both principal and interest on this Note (defined herein) being payable in lawful money of the United States of America at the principal corporate trust office of the Issuing and Paying Agent executing the "Certificate of Authentication" endorsed hereon and appearing below, or its successor. No interest will accrue on the Principal Amount hereof after said Maturity Date.

This Note is one of an issue of commercial paper notes (the "Notes") of the indicated series, which, together with other forms of short-term obligations[, including the below referenced Loan Note[2]], has been duly authorized and issued in accordance with the provisions of a Second Amended and Restated Order passed by the Board of the District on [July 24], 2023 (the "Order"), for the purpose of financing Project Costs of Eligible Projects and to refinance, renew or refund certain obligations described in the Order, all in accordance and in strict conformity with the provisions of the Act, Chapter 45, Chapter 1207, and the Elections.

This Note, together with the other Notes, is payable from and ratably secured by (i) the proceeds from (a) the sale of other Notes issued for such purpose and (b) the sale of a series or issue of Bonds to be issued by the District for such purpose, [(ii) Loans under and pursuant to a _____ (the "Credit Agreement"), dated as of _____, 20__, but effective as of _____, 20__, between the District and _____ (the "Bank"), as amended, revised,

[1] If rate of interest calculated pursuant to a formula, the word "Variable" is placed in the blank rather than a numeric interest rate and this footnote is completed with the applicable formula.

[2] Delete, if not applicable.

supplemented, or substituted, pursuant to which the Bank has agreed to provide credit to the District under the terms and conditions set forth therein, which Loans are to be evidenced by a Loan Note; provided, however, that the proceeds of Loans may only be used to pay the principal of and (as applicable) interest on the Notes)[3]], (iii) from the proceeds of an unlimited ad valorem tax levied, without limit as to rate or amount by the District upon all taxable property within its boundaries, and (iv) amounts in certain funds established pursuant to the Order.

This Note, together with the other Notes authorized to be issued and from time to time outstanding under the Order, is payable solely from the sources hereinabove identified securing the payment thereof. The Holder hereof shall never have the right to demand payment of this obligation from any other sources or properties of the District except as identified above.

Reference is hereby made to the Order, a copy of which may be obtained upon request to the District, and to all of the terms and provisions the Holder hereof by acceptance of this Note hereby assents, including, but not limited to, provisions relating to definitions of capitalized terms used herein without definition, the description of and the nature of the security for the Notes, and the conditions upon which the Order may be amended or supplemented with or without the consent of the Holders of the Notes.

It is hereby certified and recited that all acts, conditions and things required by law and the Order to exist, to have happened and to have been performed precedent to and in the issuance of this Note, do exist, have happened and have been performed in regular and in due time, form and manner as required by law and that the issuance of this Note, together with all other Notes and Loan Notes, is not in excess of the principal amount of Notes permitted to be issued under the Order.

This Note is, and has all the qualities and incidents of, a negotiable instrument under the laws of the State of Texas.

This Note shall not be entitled to any benefit under the Order or be valid or become obligatory for any purpose until this Note shall have been authenticated by the execution by the Issuing and Paying Agent of the Certificate of Authentication hereon.

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[3] Information to be completed based on Credit Agreement in effect at the time Notes are issued and if Credit Agreement provides for open market liquidity (rather than direct placement to or purchase of Notes by a bank thereunder). Renumber based on applicability of this provision.

IN TESTIMONY WHEREOF, the District has authorized and caused this Note to be executed on its behalf by the manual or facsimile signature of the President of the Board of Trustees and countersigned by the manual or facsimile signature of the Secretary of the Board of Trustees and its official seal to be impressed or a facsimile thereof to be printed hereon.

COUNTERSIGNED:

Secretary, Board of Trustees Fort Bend Independent School District	President, Board of Trustees Fort Bend Independent School District

(SEAL)

ISSUING AND PAYING AGENT'S
CERTIFICATE OF AUTHENTICATION

This Note is one of the Notes delivered pursuant to the within mentioned Order.

_____,
as Issuing and Paying Agent

By:_____
Authorized Signatory

[The remainder of this page intentionally left blank.]

ASSIGNMENT

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

(Social Security or other identifying number:_____)

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

DATED:_____

Signature Guaranteed

NOTICE: The signature of the registered owner must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.	NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears upon the face of the within Note in every particular.

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Section 2.7. Execution - Authentication.

(a) The Notes shall be executed on behalf of the District by the President of the Board and attested by the Secretary of the Board under its seal reproduced or impressed thereon, all as provided in Section 2.6 hereof. The signature of said officers on the Notes may be manual or facsimile. Notes bearing the manual or facsimile signatures of individuals who are or were the proper officers of the District on the date of passage of this Order shall be deemed to be duly executed on behalf of the District, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of the initial sale and delivery of Notes authorized to be issued hereunder and with respect to Notes delivered in subsequent sales, exchanges and transfers, all as authorized and provided in Chapter 1201, Texas Government Code, as amended.

(b) No Note shall be entitled to any right or benefit under this Order, or be valid or obligatory for any purpose, unless there appears on such Note a Certificate of Authentication, substantially in the form provided in Section 2.6 hereof, executed by the Issuing and Paying Agent or the Paying Agent/Registrar by manual signature, and such certificate upon any Note shall be conclusive evidence, and the only evidence, that such Note has been duly certified or registered and delivered.

Section 2.8. Notes Mutilated, Lost, Destroyed or Stolen. If any Note shall become mutilated, the District, at the expense of the Holder of said Note, shall execute and deliver a new Note of like tenor and number in exchange and substitution for the Note so mutilated, but only upon surrender to the District of the Note so mutilated. If any Note shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the District and, if such evidence be satisfactory to it and indemnity satisfactory to it shall be given, the District, at the expense of the Holder, shall execute and deliver a new Note of like interest rate and tenor in lieu of and in substitution for the Note so lost, destroyed or stolen. Neither the District nor the Issuing and Paying Agent shall be required to treat both the original Note and any duplicate Note as being Outstanding for the purpose of determining the principal amount of Notes which may be issued hereunder, but both the original and the duplicate Note shall be treated as one and the same instrument.

Section 2.9. Negotiability, Registration and Exchangeability. The Notes issued hereunder shall be, and shall have all of the qualities and incidents of, a negotiable instrument under the laws of the State, and each successive Holder, in accepting any of the Notes, shall be conclusively deemed to have agreed that such Notes shall be and have all of the qualities and incidents of a negotiable instrument under the laws of the State. The registration books relating to the registration, payment and transfer or exchange of each series of Notes (collectively, the "Registration Books") shall at all times be kept and maintained by the District at the principal corporate trust office of the Registrar therefor, and such Registrar shall obtain, record and maintain in the Registration Books the name and address of each registered owner of the Notes, except for Notes registered to bearer, issued under and pursuant to the provisions of this Order. Each Registrar shall provide the District with a copy of the Registration Books and shall thereafter provide the District (at the notice address for the District set forth in the Issuing and Paying Agent Agreement between the District and the Registrar or a Credit Agreement, as applicable) with copies of any changes in the Registration Books within one (1) Business Day after such change. Any Note may, in accordance with its terms and the terms hereof, be transferred or exchanged for

Notes of like interest rate, tenor, series, and character and of other authorized denominations upon the Registration Books by the Holder in person or by his duly authorized agent, upon surrender of such Note to the applicable Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to such Registrar. Upon surrender for transfer of any Note at the principal corporate trust office of a Registrar, such Registrar shall register and deliver, in the name of the designated transferee or transferees (or to bearer, as appropriate), one or more new Notes executed on behalf of, and furnished by, the District of like tenor, series, and character and of authorized denominations and having the same maturity, bearing interest at the same rate and of a like aggregate principal amount as the Note or Notes surrendered for transfer. Furthermore, Notes may be exchanged for other Notes of like tenor, series, and character and of authorized denominations and having the same maturity, bearing the same rate of interest and of like aggregate principal amount as the Notes surrendered for exchange, upon surrender of the Notes to be exchanged at the principal corporate trust office of the applicable Registrar. Whenever any Notes are so surrendered for exchange, the applicable Registrar shall register and deliver new Notes of like tenor, series, and character as the Notes exchanged, executed on behalf of, and furnished by, the District to the Holder requesting the exchange. The District and the applicable Registrar may charge the Holder a sum sufficient to reimburse them for any expenses incurred in making any transfer or exchange after the first such transfer or exchange for such Holder. The applicable Registrar or the District may also require payment from the Holder of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto. Such charges and expenses shall be paid before any such new Note shall be delivered. The District and the applicable Registrar shall not be required (i) to issue, transfer or exchange any Note during a period beginning at the opening of business on the 15th day next preceding either any maturity date of such Note or any date of possible selection of such Note or parts thereof to be redeemed and ending at the close of business on the interest payment date or day on which the applicable notice of redemption is given, or (ii) to transfer or exchange any Note selected, called or being called for redemption in whole or in part. New Notes delivered upon any transfer or exchange shall be valid special obligations of the District, evidencing the same debt as the Notes surrendered by this Order and shall be entitled to all of the security and benefits hereof to the same extent as the Notes surrendered. The District reserves the right to change the above registration and transferability provisions of the Notes at any time on or prior to the delivery thereof in order to comply with applicable laws and regulations of the United States in effect at the time of issuance thereof. No purchase, sale, or transfer of any Notes, as herein provided, nor the setting of interest rates in respect thereof, shall constitute or be construed to be the extinguishment of any security or the indebtedness represented thereby or the reissuance of any security or the refunding of any indebtedness represented thereby.

Section 2.10. Note Payment Fund.

(a) There is hereby created and established by the District a separate and special fund to be designated the "Fort Bend Independent School District Note Payment Fund" (the "Note Payment Fund"). Money on deposit in the Note Payment Fund shall be used to pay principal of, premium, if any, and interest on Notes at the respective interest payment, maturity or redemption dates of each issue of such Notes as provided herein and, as applicable, the repayment of any Loans made pursuant to any Credit Agreement (evidenced by a Loan Note).

(b) Within the Note Payment Fund, there is hereby created with respect to each series of Notes, and to be established with the applicable Issuing and Paying Agent or a Depository, a separate account relating to each series of Notes, each to be designated "Fort Bend Independent School District Note Payment Account" and as further designated by series (collectively, the "Note Payment Accounts"). Money on deposit in each Note Payment Account shall be used to pay principal of, premium, if any, and interest on Notes of the applicable series at the respective interest payment, maturity or redemption dates of each issue of such Notes as provided herein and the repayment of any Loans made pursuant to any Credit Agreement (evidenced by a Loan Note), including (initially and with respect to the separate Note Payment Accounts established with respect to the Series A Notes and the Series B Notes) the Initial Credit Agreements. With respect to the Series A Notes and the Series B Notes the following subaccounts are hereby created within each Note Payment Account:

(i) Interest Payment Account (which may contain within it one or more sub-accounts); and

(ii) Principal Payment Account (which may contain within it one or more sub-accounts).

The Board hereby authorizes the Authorized Official to create and establish such different or additional accounts and subaccounts within the Note Payment Fund as may be necessary or desirable for the operation of the Program and compliance with the applicable Credit Agreements.

(c) The District shall, from the sources set forth in Section 2.11 hereof, deposit into the applicable accounts or subaccounts within the applicable Note Payment Account at such times and in such amounts as are necessary to provide for the full payment of the principal of and the interest on the Notes, the Loan Notes and all other amounts due under any Credit Agreement, when due, after taking into account funds currently on deposit in the applicable accounts or subaccounts within the applicable Note Payment Account.

(d) Pursuant to Section 3.2(a) hereof, and pursuant to the applicable provision of any Credit Agreement at such time effective, all proceeds of Loans (except proceeds of Loans retained by the Bank to repay all or any part of an outstanding Loan), shall be deposited into the applicable account or subaccount of the applicable Note Payment Account and used to pay the principal of, premium, if any and interest on such series of Notes (provided, however, that the proceeds of Loans pursuant to a Credit Agreement may only be used to pay principal of and (as and if applicable) interest on Notes of the series to which such Credit Agreement relates) and to pay the principal of and interest on any Loan coming due pursuant to the terms of the applicable Credit Agreement.

(e) Pending the expenditure of money in the Note Payment Fund for authorized purposes, money deposited in said Fund may be invested at the direction of an Authorized Official in Eligible Investments. Any income received from such investments shall be deposited, as received, and held in the Note Payment Fund until used for permitted purposes of amounts held in the Note Payment Fund.

Section 2.11. Payments; Pledge.

(a) The Notes and the Loan Notes (and other obligations under any Credit Agreement) are payable from and secured solely by the funds pledged as security therefor pursuant to this Section 2.11. The District shall make payments into the Note Payment Fund (for further deposit to the appropriate account therein) from proceeds of Notes, Loans or Bonds (or from proceeds of the District's ad valorem tax, levied without limit as to rate or amount on taxable property within the District, and which are transferred to the Note Payment Fund pursuant to Section 2.11(d) of this Order in order to pay principal of and interest on the Notes) at such times and in such amounts as are necessary to provide for the full payment of the principal of and the interest on the Notes, when due.

(b) To provide security for the payment of the principal of and interest on the Notes, the Loan Notes, and any other amounts due under any Credit Agreement relating to Notes, as the same shall become due and payable, there is hereby granted a lien on and pledge of, subject only to the provisions of this Order permitting the application thereof for purposes and on the terms and conditions set forth herein:

(i) the proceeds from (A) the sale of Bonds issued for such purpose and (B) the sale of Notes issued pursuant to this Order for such purpose;

(ii) the proceeds from Loans; provided, however, that such Loan proceeds pursuant to the applicable Credit Agreement may be used to pay the principal of and interest on Notes (so long as any such Credit Agreement so permits the use of Loan proceeds to pay interest on the Notes); provided, further, however, that proceeds attributable to and derived from borrowings under and pursuant to a Credit Agreement are pledged to, and shall be used to pay, the principal of, premium, if any, and interest on the Notes of the particular series to which such Credit Agreement relates; and

(iii) the amounts held in the Note Payment Fund until the amounts deposited therein are used for authorized purposes; provided, however, that amounts in the respective Note Payment Accounts of the Note Payment Fund attributable to and derived from Loans shall be used only to pay, prior to any application to the payment of the respective Loan Notes, the principal of (but no redemption premium) and interest on the respective series of Notes;

and it is hereby resolved and declared that the principal of and interest on the Notes, the Loan Notes, and any other amounts due under a Credit Agreement related to Notes of such series shall be and are hereby equally and ratably secured by and payable from a lien on and pledge of the sources hereinabove identified in clauses (i), (ii), and (iii) subject and subordinate only to the exceptions noted therein.

(c) Pursuant to authority granted by the Constitution and laws of the State, there shall be levied and there is hereby levied for the current year and for each succeeding year hereafter while any of the Notes, Loan Notes, or other amounts due under any Credit Agreement (including costs related to any Credit Agreement, Dealer Agreement and Issuing and Paying Agency Agreement) remain outstanding and unpaid, an ad valorem tax on each one hundred dollars ($100)

valuation of taxable property in the District at a rate sufficient, without limit as to rate or amount, to pay the principal of and interest on the Notes, Loan Notes or other amounts due under any Credit Agreement, full allowance being made for delinquencies and costs of collection. In determining the amount of taxes to be levied to pay the principal of and interest on the Notes, the Loan Notes or other amounts due under any Credit Agreement, the District may take into account any other sources of funding that are lawfully available or are to be lawfully available for payment of such principal and interest on the Notes, the Loan Notes or other amounts due under any Credit Agreements and may take into account any Credit Agreement and any legal limitation regarding the maximum rate or amount of interest that an Authorized Official may be authorized to approve in the issuance and sale of Notes from time to time.

(d) The ad valorem tax thus levied shall be assessed and collected each year against all property appearing on the tax rolls of the District most recently approved in accordance with law and the money thus collected shall be deposited as collected into the Note Payment Fund (for further deposit to the Note Payment Accounts therein) and the proceeds of such tax shall be appropriated and applied for the payment of the principal of and interest on the Notes, Loan Notes or other amounts due under any Credit Agreement.

(e) Money in the Note Payment Fund and the Note Construction Fund, to the extent not invested as permitted hereunder, shall be secured in the manner prescribed by law for securing funds of the District. Chapter 1208, as amended, Texas Government Code, applies to the District's incurring indebtedness under this Order and the pledge of security granted by the District under this Section, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the indebtedness remains Outstanding under this Order such that the pledge of revenues granted by the District under this Section is to be subject to the filing requirements of Chapter 9, as amended, Business and Commerce Code, then in order to preserve to the Registered Owners and Holders of such indebtedness the perfection of the security interest in said pledge, the District agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, as amended, Texas Business and Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Section 2.12. Note Construction Fund.

(a) There is hereby created and established a separate fund hereby designated as the "Fort Bend Independent School District Note Construction Fund" (the "Note Construction Fund"), to which shall be deposited the proceeds of Notes issued to pay Project Costs of Eligible Projects. The Note Construction Fund shall be held by the District at a Depository. Money deposited in the Note Construction Fund shall remain therein until from time to time expended to pay for Project Costs of Eligible Projects, and shall not be used for any other purposes whatsoever, except as otherwise provided below, and pending such expenditure, money in the Note Construction Fund may be invested at the direction of an Authorized Official in Eligible Investments. Any income received from such investments (except as otherwise required to be rebated to the United States of America in accordance with the provisions of Section 4.5 hereof) shall be deposited into the Note Construction Fund.

(b) Any amounts on deposit in the Note Construction Fund may be designated by an Authorized Official as eligible to pay interest during construction and thereafter may be transferred

from time to time at the direction of an Authorized Official to the credit of the Note Payment Fund for use in accordance with the terms of Section 2.10 hereof. Any amounts remaining in the Note Construction Fund after the payment of all Project Costs shall be paid into the Note Payment Fund (for further deposit to the particular Note Payment Account related to the series of Notes from which such proceeds were derived) and used for the payment of such maturities of the Notes coming due at such times as may be selected by an Authorized Official or for the payment of the Loan Notes, as the case may be; provided, however, that, in the event there are then in effect multiple Credit Agreements and have been issued multiple series of Notes, such amounts will be used to pay all Loan Notes arising under the Credit Agreement or Credit Agreements, respectively, relating to the series of Notes from which such remaining proceeds were originally derived. In the event no Notes are outstanding and there are no outstanding Loans, any amounts in the Note Construction Fund not anticipated to be needed to pay Project Costs shall be transferred, upon discretion of an Authorized Official, to the District. For the avoidance of doubt, funds held in the Note Construction Fund are not pledged as security for repayment of any Notes or Loan Notes or amounts from time to time owed under any Credit Agreement.

(c) The District hereby authorizes, within the Note Construction Fund and at the direction of an Authorized Official, the creation and establishment of one or more accounts or subaccounts within the Note Construction Fund. Initially, there shall be no individual accounts created within the Note Construction Fund.

Section 2.13. Cancellation. All Notes which at maturity are surrendered to the applicable Paying Agent/Registrar for the collection of the principal and interest thereon or are surrendered for transfer or exchange pursuant to the provisions hereof shall, upon payment or issuance of new Notes, be canceled by such Paying Agent/Registrar, and such Paying Agent/Registrar forthwith shall transmit to the District a certificate identifying such Notes and that such Notes have been duly canceled and destroyed.

Section 2.14. Fiscal and Other Agents. In furtherance of the purposes of this Order, the District may from time to time appoint and provide for the payment of such additional fiscal, paying or other agents or trustees as it may deem necessary or appropriate in connection with the Notes.

Section 2.15. Amended and Restated Credit Agreements. The Amended and Restated Credit Agreements, each of which constitutes a Credit Agreement, entered into to provide credit and/or liquidity support for the applicable series of Notes and substantially in the forms attached hereto as Exhibit A, are hereby ratified, confirmed, and approved. In connection with the amendments made in this Order, the Series A Agreement in substantially the form attached hereto as Exhibit A-1 with such changes as may be approved by the Authorized Official as evidenced by the execution thereof is hereby approved, and the Series B Agreement in substantially the form attached hereto as Exhibit A-2 with such changes as may be approved by the Authorized Official as evidenced by the execution thereof is hereby approved. The form of the Loan Note contained in the Series A Agreement is also approved, including the interest rate thereon to be determined as set forth in the Series A Agreement. The form of the Loan Note contained in the Series B Agreement is also approved, including the interest rate thereon to be determined as set forth in the Series B Agreement. Each Authorized Official is hereby authorized to execute and deliver each Initial Credit Agreement and any other documents called for thereunder. In addition, the President

and Secretary of the Board are hereby authorized to execute and deliver any Loan Note. The signatures of said officers may be manual or facsimile. Loan Notes bearing the manual or facsimile signatures of individuals who are or were the proper officers of the District on the date of execution of the Loan Notes shall be deemed to be duly executed on behalf of the District, notwithstanding that such individuals or either of them shall cease to hold such offices. The Secretary of the Board is authorized to place the District seal on any and all of the foregoing instruments.

The District hereby finds that each Amended and Restated Credit Agreement is a Credit Agreement hereunder relating, respectively, to the series of Notes identified therein. The payment of the fees identified in the respective Fee Letters and the other costs, expenses, and taxes described in each Amended and Restated Credit Agreement, as well as the timing of such payments, is hereby authorized from funds on deposit in the Note Payment Fund (or within the appropriate Note Payment Account therein, as applicable). When required, any "request for extension" (or other document having similar effect, in accordance with the terms of an Amended and Restated Credit Agreement) shall be delivered by the District to the Dealer and to each rating agency then providing a rating on the applicable series of Commercial Paper Notes simultaneously with the delivery to the Bank under an Amended and Restated Credit Agreement, and the District will promptly provide to each such rating agency a copy of any "notice of extension" (or other document having similar effect, in accordance with the terms of the applicable Amended and Restated Credit Agreement) it receives or notice that no extension with respect thereto was given.

The District is hereby authorized to enter into any agreement supplemental to an Amended and Restated Credit Agreement with the Bank thereunder, as an Authorized Official may deem appropriate. An Authorized Official, on behalf of the District, may agree with the Bank to add additional banking institutions as a Bank under an Amended and Restated Credit Agreement; provided, however, that such action shall not cause the then existing rating by each rating agency then providing a rating on the Notes of an affected series, if any, to be reduced, as evidenced by a letter from the respective rating agency confirming the rating of such Notes prior to such action.

Section 2.16. Reservation of Right to Enter into Certain Credit Agreements. Each Authorized Official is authorized to enter into Credit Agreements, whether as an extension of any existing Credit Agreement, in substitution for any Credit Agreement or in addition to an existing Credit Agreement, in conjunction with the issuance, payment, sale, resale or exchange of Notes (and payment of amounts existing thereunder and as may be evidenced by one or more Loan Notes), the payment obligations of the District under which may be on a parity with the Notes, subject to the following conditions:

(a) each Credit Agreement must be in substantially the same form as the form of an Amended and Restated Credit Agreement approved pursuant to the terms of this Order and attached hereto as Exhibit A;

(b) the maximum amount of liquidity or other commitment provided pursuant to the terms of any Credit Agreement shall not exceed the Program's capacity (measured as the maximum aggregate principal amount of Notes at any one time Outstanding plus interest thereon at the Maximum Interest Rate for a period not more than 270 days);

(c) the maximum interest rate borne by any obligations owed pursuant to the terms of any Credit Agreement shall not exceed the Maximum Interest Rate;

(d) the maximum term of any Credit Agreement shall not exceed the Maximum Maturity Date; and

(e) a determination by an Authorized Official that entering into any such Credit Agreement shall not result in default or breach of covenants relating to the Program (including the terms of Outstanding Notes or Loan Notes or any then-existing Credit Agreement that remains in effect after the effectiveness of the new or extended Credit Agreement) and that entering into the subject Credit Agreement complies with applicable law.

The foregoing relates to the entry into Credit Agreements subsequent to the District's entry into the Amended and Restated Credit Agreements, such initial entry being hereby explicitly approved.

Section 2.17. Substitution of Credit Agreements. The District reserves the right to substitute one or more Credit Agreements for the Amended and Restated Credit Agreements or any other Credit Agreement delivered in accordance with the terms of this Order, with one or more Banks, so long as:

(a) either (i) such substitution (or any assignment of all or any part of any Credit Agreement) does not cause any rating agency then rating the related series of Notes to withdraw, lower or suspend its short-term rating assigned to any such Notes then Outstanding, as evidenced by written notice to the District or (ii) takes effect on a Business Day on which all of the outstanding Notes of the related series are scheduled to mature;

(b) the substitute Credit Agreement shall have a term of at least 270 days or until at least three Business Days after the last maturing Note of the related series;

(c) the substitute Credit Agreement shall not cause the District to violate its covenants in Section 4.2; and

(d) the substitute Credit Agreement shall be approved by the Attorney General of the State to the extent required by law.

ARTICLE III

ISSUANCE AND SALE OF NOTES

Section 3.1. Issuance and Sale of Notes.

(a) The Commercial Paper Notes shall be completed and delivered by the applicable Issuing and Paying Agent in accordance with telephonic, computer (electronic mail) or written instructions of an Authorized Official and in the manner specified below and in the Issuing and Paying Agency Agreement or Credit Agreement, as applicable. To the extent such instructions are delivered telephonically, they shall be confirmed in writing (which may be electronically) by an Authorized Official within 24 hours. Any such instructions from an Authorized Official relating

to the issuance of Commercial Paper Notes for the purpose of refinancing, renewing or refunding Notes may be in the form of standing instructions to the effect that the Issuing and Paying Agent may rely upon instructions it receives from a Dealer for the issuance and sale of such Commercial Paper Notes unless otherwise notified in writing by an Authorized Official. Said instructions shall specify such principal amounts, Note Dates, dates of issue, maturities, rates of discount or interest, or the formula or method for calculating interest and the basis upon which it is to be computed, and other terms and conditions which are hereby authorized and permitted to be fixed by an Authorized Official at the time of sale of the Commercial Paper Notes. Such instructions shall include the purchase price of the Commercial Paper Notes and a request that the applicable Issuing and Paying Agent authenticate such Commercial Paper Notes by counter signature of its authorized officer or employee and deliver them to the named purchaser or purchasers thereof upon receipt of payment in accordance with the custom then prevailing in the New York financial market in regard to such Commercial Paper Notes. Such instructions shall also contain provisions representing that all action on the part of the District necessary for the valid issuance of the Commercial Paper Notes then to be issued has been taken, that all provisions of Texas and federal law necessary for the valid issuance of such Commercial Paper Notes with provision for interest excludability from federal income taxation have been complied with, and that such Commercial Paper Notes will be valid and enforceable obligations of the District according to their terms, subject to the exercise of judicial discretion in accordance with general principles of equity and bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors, rights heretofore or hereafter enacted to the extent constitutionally applicable, and that based upon the advice of Bond Counsel, the stated interest or earned original issue discount, as the case may be, on the Commercial Paper Notes is excludable from federal income taxation, subject to the conditions set forth in the opinion of Bond Counsel delivered concurrently with the commencement of the issuance of Commercial Paper Notes. Such instructions shall also certify that:

(i) no Event of Default under Section 5.1 hereof has occurred and is continuing as of the date of such instructions and that the subject Issuing and Paying Agent has not received a "no-issuance" or similar notice under a Credit Agreement then in effect and so applicable relating to a series of Notes then to be issued;

(ii) the District is in compliance with the covenants set forth in Article IV hereof and with any covenants of the District set forth in any applicable Dealer Agreement as of the date of such instructions;

(iii) if the Commercial Paper Notes are being issued to pay Project Costs, the District has been advised by Bond Counsel that the projects to be financed with the proceeds of the Commercial Paper Notes will constitute Eligible Projects, and, further, that the proposed expenditure of the proceeds of such Commercial Paper Notes for such Eligible Projects will not cause the District to be in violation of its covenants set forth in Section 4.5 hereof; and

(iv) the sum of the interest payable on such Commercial Paper Notes will not exceed a yield (calculated on the principal amount of the Commercial Paper Notes on the basis of a 365 or 366-day year or 30/360, as may be applicable, and actual number of days

elapsed) to the maturity date of such Commercial Paper Notes in excess of the Maximum Interest Rate in effect on the date of issuance of such Commercial Paper Notes.

Notwithstanding any other provision of this Section 3.1(a) to the contrary, the instructions required to be given by an Authorized Official to the Issuing and Paying Agent in connection with the issuance of Commercial Paper Notes for the Payment of Project Costs may include a provision to the effect that each sale of Commercial Paper Notes thereafter made by the District for the purpose of refinancing, renewing or refunding the Commercial Paper Notes that are the subject of such instructions shall be deemed a representation and certification by the District as of the date of each such sale that any one or more of the representations and certifications contained in such instructions are true and correct as if made on and as of each such date.

(b) Notwithstanding the provisions of subsection (a) above, to the extent the Commercial Paper Notes are being directly purchased by or privately placed with a Bank under a Credit Agreement, the contents of the instructions may be specified in such Credit Agreement.

(c) Any Loan Note, as applicable, shall be or have been delivered to the applicable Bank, as applicable, and indebtedness may be incurred thereunder in accordance with the terms of the applicable Credit Agreement.

Section 3.2. Proceeds of Sale of Notes. The proceeds of the sale of any Notes (net of all expenses and costs of sale and issuance) shall be applied for any or all of the following purposes as directed by an Authorized Official:

(a) Proceeds to be used for the payment or redemption of outstanding Notes at or before maturity and the repayment of any Loans (evidenced by the applicable Loan Note) or other amounts due under the applicable Credit Agreement shall be deposited in the Note Payment Fund (for further deposit to the applicable Note Payment Account therein), and expended therefor; and

(b) Proceeds to be used to pay Project Costs of Eligible Projects shall be deposited to the Note Construction Fund (and, if necessary or required, further deposited to an account within such Fund) and used and applied in accordance with the provisions of Section 2.12 hereof.

Section 3.3. Issuing and Paying Agency Agreement. The Issuing and Paying Agency Agreement, previously approved by the Board in the First Amended and Restated Order, is hereby confirmed and ratified. The District is hereby authorized to enter into, and any Authorized Official is authorized to execute and deliver, any supplemental agreements with any Issuing and Paying Agent (including a successor to any initial Issuing and Paying Agent) in order to implement the functions of Paying Agent/Registrar or Registrar with respect to any series of Notes, and any other documents called for thereunder, for and on behalf of the District and the Board. The District entered into an Issuing and Paying Agency Agreement relating to the Series A Notes; the Bank, under the Series B Agreement, will serve as the Issuing and Paying Agent for the Series B Notes.

Section 3.4. Dealer Agreement. The Dealer Agreement in the form previously approved by the Board in the First Amended and Restated Order with the Dealer pertaining to the sale, from time to time, of the Commercial Paper Notes or the purchase of Commercial Paper Notes from the District, all for a fee as set forth in the Dealer Agreement, is hereby confirmed and ratified. Any Authorized Official, on behalf of the District, is expressly authorized, subject to any conditions or

prerequisites specified in a then-effective Credit Agreement that relates to the Notes of a particular series then at issue, to negotiate, secure, and finalize a replacement, substitute, amended, or revised Dealer Agreement and to have any Authorized Official execute and deliver the same, and any other documents called for thereunder, for and on behalf of the District. The District entered into a Dealer Agreement with the Dealer with respect to the Series A Notes. There currently is no Dealer or Dealer Agreement for the Series B Notes.

ARTICLE IV

COVENANTS OF THE DISTRICT

Section 4.1. Limitation on Issuance. Unless this Order is amended and modified by the Board in accordance with the provisions of Section 6.1 hereof, the District covenants that there will not be issued and Outstanding at any one time under this Order more than $150,000,000 in aggregate principal amount of Notes; subject, however, to the provision below regarding the Available Commitment. For purposes of this Section 4.1 any portion of Outstanding Notes to be paid on a particular day from money on deposit in the Note Payment Fund or available proceeds of Notes or Bonds shall not be considered Outstanding on such day. Additionally, the District covenants and agrees that the total principal amount of all Notes of a particular series outstanding at any one time shall not exceed the sum total of the Available Commitment relating thereto or available therefor.

Section 4.2. Maintenance of Available Credit Facilities Requirement.

(a) The District agrees and covenants that at all times up to and including the Maximum Maturity Date, unless the Notes are no longer Outstanding, it will maintain one or more Credit Agreements with Banks in an aggregate amount such that, assuming that all then Outstanding Notes were to become due and payable immediately, the aggregate amount available for borrowing under the Credit Agreement(s) applicable to such Notes would be sufficient at that time to pay the principal of all such Outstanding Notes. No Note shall be issued which if, after giving effect to the issuance thereof and, if applicable, the immediate application of the proceeds therefrom to retire other Notes secured by the Credit Agreement, the aggregate principal amount of all Notes secured by the Credit Agreements would exceed the amount of the aggregate credit commitment under all such Credit Agreements. The availability for borrowing of such amounts under the Credit Agreements may be subject to reasonable conditions precedent, including but not limited to, bankruptcy of the District. In furtherance of the foregoing covenant, the District agrees that it will not issue any Notes or make any borrowings which will result in a violation of such covenant, will not amend any Credit Agreements then in effect in a manner which will cause a violation of such covenant and, if and to the extent necessary to maintain compliance with such covenant, will arrange for delivery of an alternate or substitute Credit Agreement prior to, or contemporaneously with, the expiration of an existing Credit Agreement.

(b) The Initial Credit Agreements initially satisfy the covenant contained in the first sentence of subsection (a) above with respect to Available Commitment that supports the issuance of up to $150,000,000 in aggregate principal amount of the Notes at any one time Outstanding, plus interest coverage (as and if applicable).

Section 4.3. Bonds. The District hereby acknowledges that the Notes are being issued as short term obligations, and therefore the District in good faith shall endeavor to sell a sufficient principal amount of Notes or Bonds in order to have funds available, together with other money available therefor, to pay the maturing Notes and the interest thereon, or any renewals thereof, as the same shall become due and payable, including Loan Notes and interest thereon due under the Credit Agreement or Credit Agreements from time to time valid and in effect.

Section 4.4. Punctual Payment. The District will punctually pay or cause to be paid the principal of and interest, if any, on the Notes and Loan Notes (but only from the sources pledged herein), in conformity with the Notes, Loan Notes, this Order and any Credit Agreement.

Section 4.5. Covenants Regarding Tax Exemption.

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

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

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

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

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

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

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

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

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

(j) Continuing Compliance. Notwithstanding any other provision of this Order, the District's obligations under the covenants and provisions of this Section 4.5 will survive the defeasance and discharge of the Notes for as long as such matters are relevant to the excludability of interest on the Notes from gross income for federal income tax purposes.

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

Section 4.6. Opinion of Bond Counsel. Notwithstanding the foregoing, the District will not be required to comply with any of the federal tax covenants set forth above if the District has received an opinion of nationally recognized bond counsel that such noncompliance will not adversely affect the excludability of interest on the Notes from gross income for federal income tax purposes. Additionally, the District will cause the legal opinion of Bond Counsel as to the validity of the Notes and as to the excludability of interest on the Notes from gross income for federal income tax purposes to be furnished to any Holder without cost to the Holder. In addition, a copy of said opinion may be printed on each of the Notes.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES OF NOTEHOLDERS

Section 5.1. Events of Default. If one or more of the following events shall occur, that is to say:

(a) if default shall be made in the due and punctual payment of any installment of principal of any Note when and as the same shall become due and payable, whether at maturity as therein expressed or otherwise;

(b) if the District shall fail to make due and punctual payment of any installment of interest on any Note when and as such interest installment shall become due and payable and such failure shall continue for five (5) Business Days;

(c) if applicable under a Credit Agreement at such time valid and in effect, if the Bank has delivered to the Issuing and Paying Agent and the District notice of an "Event of Default" under a Credit Agreement that would permit the principal of the Loan Notes evidencing Loans made thereunder (and interest accrued thereon) to be made to become due and payable under such Loan Notes and the Credit Agreement;

(d) if default shall be made by the District in the performance or observance of any other of the covenants, agreements or conditions on its part in this Order or in the Notes contained, and such default shall continue for a period of sixty (60) days after written notice thereof; provided, however, that if such default cannot be cured within the sixty (60) day period but corrective action to cure such default is commenced and diligently pursued until the default is corrected no such Event of Default shall be deemed to have occurred;

(e) if there shall occur the dissolution (without a successor being named to assume the rights and obligations) or liquidation of the District or the filing by the District of a voluntary petition in bankruptcy, or adjudication of the District as a bankrupt, or assignment by the District for the benefit of its creditors, or the entry by the District into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the District in any proceeding for its reorganization instituted under the provisions of the U.S. Bankruptcy Code, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted; or

(f) if an order or decree shall be entered, with the consent or acquiescence of the District, appointing a receiver or receivers of the District, or any part thereof, or of the rents, fees, charges or other revenues therefrom, or if such order or decree, having been entered without the consent or acquiescence of the District shall not be vacated or discharged or stayed within ninety (90) days after the entry thereof;

then such event as described above shall constitute an "Event of Default" under this Order.

Section 5.2. Suits at Law or in Equity and Mandamus. In case one or more Events of Default shall occur, then and in every such case the Holder of any Note at the time Outstanding shall be entitled to proceed to protect and enforce such Holder's rights by such appropriate judicial proceeding as such Holder shall deem most effectual to protect and enforce any such right, either by suit in equity or by action at law, whether for the specific performance of any covenant or agreement contained in this Order, or in aid of the exercise of any power granted in this Order, or to enforce any other legal or equitable right vested in the Holders of Notes by this Order or the Notes or by law. The provisions of this Order shall be a contract with each and every Holder of Notes and the duties of the District and the Board shall be enforceable by any Holder of Notes by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

Section 5.3. Remedies not Exclusive.

(a) No remedy herein conferred upon or reserved to the Holders of Notes is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or

by statute or otherwise, and may be exercised at any time or from time to time, and as often as may be necessary, by the Holder of any one or more of the Notes.

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

ARTICLE VI

MISCELLANEOUS

Section 6.1. Amendments or Modifications.

(a) Amendments Without Consent of Holders. This Order and the rights and obligations of the District and of the Holders of Notes may be modified or amended at any time by a supplemental order, without notice to or the consent of any Holders, but only to the extent permitted by law and any Credit Agreement for any one or more of the following purposes:

(i) to add to the covenants and agreements of the District in this Order contained, other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon the District;

(ii) to cure any ambiguity or inconsistency, or to cure or correct any defective provision contained in this Order, upon receipt by the District of an opinion of Bond Counsel that the same is needed for such purpose, and will more clearly express the intent of this Order; or

(iii) to add to the security for the Notes, change the form of the Notes, or to make such other changes in the provisions hereof as the District may deem necessary or desirable and which shall not materially adversely affect the interests of the Holders of the Notes.

(b) Amendments Requiring Consent of All Holders. Nothing herein contained shall permit or be construed to permit the amendment of the terms and conditions of this Order or of the Notes so as to:

(i) make any change in the maturity of any of the Outstanding Notes;

(ii) reduce the rate of interest borne by any of the Outstanding Notes;

(iii) reduce the amount of the principal payable on any of the Outstanding Notes;

(iv) modify the terms of payment of principal of or interest on the Outstanding Notes, or impose any conditions with respect to such payment;

(v) affect the rights of the Holders of less than all of the Outstanding Notes;

(vi) give priority of payment to any Note over other Notes; or

(vii) reduce or restrict the pledge made pursuant to Section 2.11 hereof for payment of the Notes,

unless such amendment shall be approved by the Holders of all of the Notes (including any Bank as the Holder of a Loan Note) then Outstanding.

(c) Amendments Requiring Consent of Bank and a Majority of Holders of Notes. The District may, with the written consent of the Bank and the Holders of a majority in aggregate principal amount of the Notes then Outstanding affected thereby, amend, change, modify, or rescind any provisions of this Order which are otherwise not described under Section 6.1(a) or Section 6.1(b) hereof.

(d) Amendments Effective Upon Receipt of Written Consent. Except as expressly provided in any Credit Agreement, whenever the District shall desire to make any amendment to this Order requiring consent of the Bank and the Holders of the Notes then outstanding, the District shall cause notice of the amendment to be sent by first class mail, postage prepaid, to the Bank and the Holders of the Notes then Outstanding at the respective addresses shown on any Registration Books maintained by a Registrar. Whenever at any time after the date of the giving of such notice, the District shall receive an instrument or instruments in writing executed by (i) the Bank and (ii) the Holders of a majority in aggregate principal amount of the Notes then Outstanding, which instrument or instruments shall refer to the proposed amendment described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the District may adopt such amendment in substantially such form, except as herein provided. Neither the Bank nor any Holder of Notes may thereafter object to the adoption of such amendment or to any of the provisions thereof, and such amendment shall be fully effective for all purposes.

(e) Amendments Effective Upon Maturity of all then Outstanding Notes. Whenever the District shall desire to make any amendment to or additions to or rescission of this Order requiring consent of the Bank and the Holders of the Notes then Outstanding, the District may adopt such amendment, addition or recission (upon prior consent of the Bank but without having to receive the consent of any Holder of then Outstanding Notes) which will become effective only upon the payment in full of all such Outstanding Notes. The Offering Memorandum prepared by the District and used by the Dealer to sell any series of publically marketed Notes which will be Outstanding on and after the effective date of any such amendment, addition or rescission must clearly state or describe such amendment, addition or rescission, and all persons who become Holders of Notes of such series on and after the effective date of such amendment, addition or rescission shall be deemed to have consented to such amendment, addition or rescission.

(f) Approval of Attorney General Required. Notwithstanding the foregoing provisions of this Section 6.1, no change, modification or amendment shall be made in this Order or become valid and effective without the approval of such change, modification or amendment by the Attorney General of the State, to the extent (but only to the extent) required by the Act.

Section 6.2. Additional Actions. The President and Secretary of the Board, any other Authorized Official, and the other officers of the District are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which

they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Notes and otherwise to effectuate the purposes of this Order and any Credit Agreement, Dealer Agreement, offering memorandum relating to the Notes, and Issuing and Paying Agency Agreement. Specifically, by the adoption of this Order, the Board hereby authorizes the payment of the fees and expenses incurred and to be paid by the District in connection with the issuance, sale and delivery of the Notes and the execution and delivery of the Amended and Restated Credit Agreements, the ratification and confirmation of the Dealer Agreement and the Issuing and Paying Agency Agreement, and as otherwise provided in this Order.

Section 6.3. Order to Constitute a Contract; Equal Security. In consideration of the acceptance of the Notes, the issuance of which is authorized hereunder, by those who shall hold the same from time to time, this Order shall be deemed to be and shall constitute a contract between the District and the Holders from time to time of the Notes and the pledge made in this Order by the District and the covenants and agreements set forth in this Order to be performed by the District shall be for the equal and proportionate benefit, security and protection of all Holders of the Notes, without preference, priority or distinction as to security or otherwise of any of the Notes authorized hereunder over any of the others by reason of time of issuance, sale or maturity thereof or otherwise for any cause whatsoever, except as expressly provided in or permitted by this Order or, with respect to any Loan Note, the related Credit Agreement.

Section 6.4. Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Notes issued hereunder.

Section 6.5. Payment and Performance on Business Days. Unless otherwise provided in the applicable Credit Agreement, whenever under the terms of this Order or the Notes, the performance date of any provision hereof or thereof, including the payment of principal of or interest on the Notes, shall occur on a day other than a Business Day, then the performance thereof, including the payment of principal of and interest on the Notes, need not be made on such day but may be performed or paid, as the case may be, on the next succeeding Business Day with the same force and effect as if made on the date of performance or payment.

Section 6.6. Defeasance. If, when all or any portion of the Notes shall have become due and payable in accordance with their terms or otherwise as provided in this Order, the entire principal and interest so due and payable upon said Notes shall be paid, or if at or prior to the date said Notes have become due and payable, sufficient money and/or Government Securities the principal of and interest on which will provide sufficient money for such payment, shall be held in trust by an authorized escrow agent and provision shall also be made for paying all other sums payable hereunder by the District with respect to said Notes, the pledge herein created with respect to said Notes shall thereupon cease, terminate and become discharged and said Notes shall no longer be deemed Outstanding for purposes of this Order and all the provisions of this Order relating to the Notes, including all covenants, agreements, liens and pledges made herein for the benefit thereof, shall be deemed duly discharged, satisfied and released.

Section 6.7. Limitation of Benefits with respect to the Order. With the exception of the rights or benefits herein expressly conferred, nothing expressed or contained herein or implied from the provisions of this Order or the Notes is intended or should be construed to confer upon or give to any person other than the District, Bond Counsel, the Holders of the Notes, any Issuing and Paying Agent, and the respective parties to any Dealer Agreement and any Credit Agreement, any legal or equitable right, remedy or claim under or by reason of or in respect to this Order or any covenant, condition, stipulation, promise, agreement or provision herein contained. This Order and all of the covenants, conditions, stipulations, promises, agreements and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the District, Bond Counsel, the Holders of the Notes, any Issuing and Paying Agent and the respective parties to any Dealer Agreement and any Credit Agreement as herein and therein provided.

Section 6.8. Use of Offering Memorandum. The use by the Dealer of the Offering Memorandum, substantially in the form attached hereto as Exhibit B, prepared by the District in connection with the sale of any series of Commercial Paper Notes (and, currently, the Series A Notes), and the distribution of such Offering Memorandum by the Dealer, is hereby approved and authorized. In accordance with the District's Disclosure Strategy, an Authorized Officer is hereby authorized to approve any amendments and modifications and supplements thereto and the form of any subsequent or updated offering memorandum, to be used by the Dealer in the offering of the Notes, and the use thereof by the Dealer in connection therewith.

Section 6.9. Ongoing Continuing Disclosure Covenant. To the extent required by the provisions of U.S. Securities and Exchange Commission Rule 15c2-12 (Rule 15c2-12), the District agrees to enter into an agreement to file financial information and operating data with respect to the Notes with such entities as are designated pursuant to the terms of said Rule 15c2-12. Under the provisions of said Rule 15c2-12, as they exist on the date this Order is adopted, the District is exempted from complying with the undertaking described in the first sentence of this Section 6.9, as the Notes are to be issued in the form of Commercial Paper Notes.

Section 6.10. Approval of Attorney General. No Notes herein authorized to be issued shall be sold or delivered by or on behalf of the District until the Attorney General of the State shall have approved this Order, one or both, as applicable, of the Amended and Restated Credit Agreements and other agreements and proceedings as may be required in connection therewith, all as required by the Act.

Section 6.11. The Depository Trust Company.

(a) The District has determined to issue the Series A Notes initially in book-entry form and has determined to appoint The Depository Trust Company, New York, New York (DTC) to serve as the initial securities depository for the Series A Notes and to maintain a book-entry only system of recording the ownership and transfer of ownership of beneficial interests in the Series A Notes in accordance with this Section 6.11. These provisions shall apply to any additional series of Notes issued in book-entry form.

(b) Notwithstanding any provision of this Order to the contrary, unless the District shall otherwise direct, one or more Master Notes shall be issued in lieu of individual Notes of a particular series, which Master Notes shall be registered in the name of Cede & Co., as nominee of DTC, as

the Registered Owner of the Master Notes, and held in the custody of the applicable Issuing and Paying Agent. Beneficial owners of Notes of such series will not receive physical delivery of such Notes except as provided hereinafter as long as DTC shall continue to serve as securities depository for Notes of such series as provided herein, all transfers and beneficial ownership interests in Notes of such series will be made by book-entry only, and no investor or other party purchasing, selling, or otherwise transferring beneficial ownership interests in the Notes is to receive, hold, or deliver any Notes; provided, that, if DTC fails or refuses to act as securities depository for those Notes, the District shall take the actions necessary to provide for the issuance of certificates to the Registered Owners of such Notes.

With respect to Master Notes registered in the name of Cede & Co., as nominee of DTC, the District and the applicable Issuing and Paying Agent shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom a DTC Participant holds an interest in the Notes of such series. Without limiting the immediately preceding sentence, the District and the applicable Issuing and Paying Agent 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 Notes of such series, (ii) the delivery to any DTC Participant or any other person, other than a Registered Owner, as shown in the applicable Registration Books, of any notice with respect to those Notes, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a Registered Owner, as shown in the applicable Registration Books, of any amount with respect to the principal of, premium, if any, or interest on those Notes.

(c) In the event that (i) DTC determines not to continue to act as securities depository for the Notes of the applicable series (which determination shall become effective not less than ninety (90) days after written notice to such effect is given to the District and the applicable Issuing and Paying Agent); (ii) the District or the applicable Issuing and Paying Agent determines (which determination is conclusive as to DTC, any DTC Participant and the beneficial owners of the Notes of such series) that DTC is incapable of discharging its responsibilities described herein and in the DTC Letter of Representations; or (iii) the District or the applicable Issuing and Paying Agent determines (which determination is conclusive as to DTC, any DTC Participant and the beneficial owners of the Notes of such series) that it is in the best interests of the beneficial owners of those Notes not to continue DTC's book-entry only system of transfer for the Notes of such series, then the District shall use its best efforts to appoint a successor securities depository, qualified to act as such under Section 17A of the Securities Exchange Act of 1934, as amended. In the event of such an appointment, the District shall notify (a) DTC of the appointment of such successor securities depository and transfer one or more separate Notes of such series to such successor securities depository or (b) DTC Participants of the availability through DTC of Notes of such series and transfer one or more separate Notes to DTC Participants having Notes of such series credited to their DTC accounts.

In such event, the Master Notes and Notes of such series shall no longer be restricted to being registered in the applicable Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Registered Owners transferring or exchanging Notes of such series shall designate, in accordance with the provisions of this Order.

In the event that the District fails to appoint a successor securities depository for the Notes of series registered in book-entry form, the District shall execute and cause to be authenticated and delivered replacement Notes of such series, in certificated form, to the beneficial owners of those Notes.

(d) Notwithstanding any other provision of this Order to the contrary, as long as any Master Notes or the Notes of a particular series are registered in the name of Cede & Co., as nominee of DTC, (i) all payments with respect to the principal of and interest on such Notes and all notices with respect to those Notes shall be made and given, respectively, in the manner provided in the DTC Letter of Representations (attached hereto as Exhibit E); (ii) the requirements of this Order of holding, delivering, or transferring Notes of such series shall be deemed modified to require the appropriate person or entity to meet the requirements of DTC, and (iii) delivery of the Master Notes and the Notes of such series will be in accordance with arrangements among the District, the applicable Issuing and Paying Agent, and DTC.

(e) If at any time DTC ceases to hold the Master Notes or the Notes of a particular series in book-entry only form, all references herein to DTC shall be of no further force or effect.

(f) The DTC Letter of Representations and the Master Notes shall be substantially in the form attached hereto as Exhibits C and D hereto, respectively, the terms and provisions of which are hereby approved. The President and Secretary of the Board are hereby authorized to execute and deliver such Master Notes on behalf of the District; any Authorized Official is hereby authorized to execute and deliver such DTC Letter of Representations on behalf of the District.

Section 6.12. Notice to Rating Agencies. Any notices required to be delivered hereunder shall also be provided to each rating agency at such time providing a rating on the Notes. Such notices shall be given to each rating agency utilizing the following contact information: (1) Standard & Poor's, 55 Water Street, 38th Floor, New York, New York 10041, Attention: Municipal Structured Finance, email pubfinstructured@standardandpoors.com; and (2) Fitch Ratings, Inc., 33 Whitehall Street, New York, New York, 10004, Attention: Municipal Structured Finance.

For the purposes of this Section 6.12, the District covenants to provide notice to each rating agency of the following events:

(a) material changes to this Order or related documents authorizing the issuance of the Notes;

(b) any change of the Issuing and Paying Agent under Section 2.2 hereof;

(c) extension, termination, substitution, or expiration of the Amended and Restated Credit Agreement relating to the Series A Notes and any Credit Agreement authorized under Sections 2.15 and 2.16, respectively, herein; and

(d) a determination by the District that the Program has been terminated.

Section 6.13. Preamble. The preamble to this Order shall be considered an integral part of this Order, and is herein incorporated as part of the body of this Order for all purposes.

Section 6.14. Further Procedures. The officers and employees of the District are hereby authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the District all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Order, the sale and delivery of each series of Notes, any Issuing and Paying Agency Agreement, any Dealer Agreement, the Amended and Restated Credit Agreements, and the Offering Memorandum, as each of the foregoing is applicable and relating to a particular series of Notes. In addition, prior to the delivery of the Notes under this Order, the President and Secretary of the Board, any Authorized Official, and Bond Counsel are hereby authorized and directed to approve any changes or corrections to this Order or to any of the instruments authorized and approved by this Order necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Order and as described, with respect to the Series A Notes, in the Offering Memorandum, (ii) obtain a rating from any of the national bond rating agencies, or (iii) obtain the approval of the Notes or proceedings by the Texas Attorney General's office. In case any officer of the District whose signature shall appear on any certificate shall cease to be such officer before the delivery of such certificate, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 6.15. District's Consent to Provide Information and Documentation to the Texas MAC. The Municipal Advisory Council of Texas (the "Texas MAC"), a non-profit membership corporation organized exclusively for non-profit purposes described in section 501(c)(6) of the Internal Revenue Code and which serves as a comprehensive financial information repository regarding municipal debt issuers in Texas, requires provision of written documentation regarding the issuance of municipal debt by the issuers thereof. In support of the purpose of the Texas MAC and in compliance with applicable law, the District hereby consents to and authorizes any Authorized Official, Bond Counsel to the District, and/or Financial Advisor to the District to provide to the Texas MAC information and documentation requested by the Texas MAC relating to the Notes; provided, however, that no such information and documentation shall be provided prior to the delivery of the Notes. This consent and authorization relates only to information and documentation that is a part of the public record concerning the issuance of the Notes.

Section 6.16. Public Meeting. It is officially found, determined, and declared that the meeting at which this Order is adopted was open to the public, and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Order, was given, all as required by Chapter 551, Texas Government Code, as amended.

Section 6.17. Effective Date. The amendments contemplated by this Order shall become effective on August 17, 2023, which is a date on which no Series A Notes or Series B Notes are scheduled to be Outstanding under the First Amended and Restated Order or any Outstanding Series A Notes or Series B Notes are scheduled to be paid in full with proceeds of Commercial Paper Notes issued under this Order. To the extent any Series A Notes or Series B Notes are not redeemed or paid on such date, the amendments contemplated by this Order shall become effective on the date all such Series A Notes and Series B Notes Outstanding under the First Amended and Restated Order are paid in full or consent has been obtained from the Holders as required by this Order.

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FINALLY PASSED AND APPROVED the [24th] day of [July], 2023.

Secretary, Board of Trustees Fort Bend Independent School District	President, Board of Trustees Fort Bend Independent School District

[SEAL]

INDEX TO EXHIBITS

Exhibit A - Forms of Amended and Restated Credit Agreements
Exhibit B - Form of Offering Memorandum
Exhibit C - Form of DTC Letter of Representations
Exhibit D - Form of Master Note

EXHIBIT A

Forms of Amended and Restated Credit Agreements

AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT

dated as of July 24, 2023
(but effective as of _____, 2023)

between

FORT BEND INDEPENDENT SCHOOL DISTRICT

and

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION

relating to

FORT BEND INDEPENDENT SCHOOL DISTRICT
UNLIMITED TAX COMMERCIAL PAPER NOTES, SERIES A

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AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT

This Amended and Restated Revolving Credit Agreement (as amended, supplemented or otherwise modified from time to time, this "*Agreement*") is dated as of July 24, 2023 (but is effective as of August 17, 2023), and is between the FORT BEND INDEPENDENT SCHOOL DISTRICT (the "*District*") and JPMORGAN CHASE BANK, N.A. ("*Bank*").

RECITALS:

Pursuant to authority granted by the laws of the State of Texas, particularly the Act (as defined below), the District is empowered to issue obligations for the purpose of providing funds to pay Project Costs (as defined in the Act) of Eligible Projects (as defined in the Act);

Pursuant to the Act and the Order (as defined below) the District proposes to issue from time to time its notes under its Commercial Paper Program, in one or more series and in an aggregate amount at any one time outstanding not to exceed $150,000,000, the proceeds of which will be used to finance and refinance Eligible Projects under the Act;

This District and the Bank have previously entered into a Revolving Credit Agreement dated as of October 17, 2016 (but effective as of November 3, 2016), as amended by the First Amendment to Revolving Credit Agreement, dated as of the January 22, 2019 (but effective as of February 20, 2019), and the Second Amendment to Revolving Credit Agreement, dated as of February 4, 2021, (together, the "Prior Credit Agreement");

The District and the Bank previously extended the Final Date of the Prior Credit Agreement to November 1, 2025 pursuant to Section 2.10 of the Prior Credit Agreement;

The District and the Bank now desire to amend and restate the Prior Credit Agreement to consolidate amendments made a part of the Prior Credit Agreement and to recognize the additional voted authority from the District's election held on May 6, 2023;

The District has requested the Bank to support the District's notes issued from time to time under its Commercial Paper Program, in response to which the Bank, whether directly or through an affiliate, has agreed (i) by making available a revolving line of credit initially aggregating $161,095,891 (of an amount supporting the Commercial Paper Notes issued as "Series A" (herein, the "*Commercial Paper Notes*") in a principal amount up to of $150,000,000 and interest thereon at an interest rate of 10% per annum for a period of 270 days) and (ii) by agreeing to directly purchase when and as issued Commercial Paper Notes issued as "Series B" (the "*Series B Commercial Paper Notes*") pursuant to the terms of a separate note purchase agreement entered into by the parties thereto concurrently herewith (herein defined and described as the JPMorgan Note Purchase Agreement); provided, however, that the combined support for both Series A Notes and Series B Notes shall not exceed $150,000,000 in principal amount of such Commercial Paper Notes, plus applicable support for interest thereon as described herein and in the aforementioned JPMorgan Note Purchase Agreement;

The Bank is willing to make available a revolving line of credit for the purpose of providing liquidity support for the Series A Notes subject to the terms and conditions of this Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. In addition to other terms defined herein, unless the context shall indicate a contrary meaning or intent, the terms defined below, for all purposes of this Agreement or any agreement amendatory or supplemental hereto, shall be construed, are used and are intended to have the following meanings, to-wit:

"*Act*" shall mean, collectively, Chapter 45, Chapter 1207, and Chapter 1371.

"*Advance*" shall mean a loan made hereunder pursuant to Section 2.01(a) hereof.

"*Advance Maturity Date*" shall mean the Final Date.

"*Advance Rate*" means, for each day of determination with respect to any Advance, a rate per annum equal to (i) from and including the date such Advance is made through and including the date which is ninety (90) days immediately following the date such Advance is made, the Base Rate from time to time in effect, and (ii) from and after the ninety-first (91st) day immediately following the date such Advance is made, the sum of the Base Rate from time to time in effect *plus* 1.00%; *provided* that, immediately upon the occurrence and during the continuation of an Event of Default, the Advance Rate shall equal the Default Rate; *provided further* that at no time shall the Advance Rate be less than the highest per annum rate of interest applicable to any outstanding Commercial Paper Notes; *provided further* that at all times the Advance Rate shall be subject to the limitations of Section 2.04(c) hereof.

"*Agreement*" has the meaning set forth in the introductory paragraph hereof.

"Affiliate" means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"Anti-Corruption Laws" means all laws, rules and regulations of any jurisdiction applicable to the District from time to time concerning or relating to bribery or corruption.

"*Applicable Law*" shall mean all applicable provisions of all constitutions, statutes, rules, regulations, and orders of all governmental and non-governmental bodies, including, without limitation, the Act, all governmental approvals and all orders, judgments and decrees of all courts and arbitrators of competent jurisdiction. Whenever the Applicable Law of a particular jurisdiction is referred to in this Agreement, such reference shall be deemed to include the Applicable Law of all political subdivisions of such jurisdiction.

"*Authorized Official*" shall have the meaning assigned to such term in the Order.

"Available Commitment" shall mean, and in no event shall it exceed the Commitment, such initial amount adjusted from time to time as follows: (a) downward in an amount equal to the principal amount of any Loan and the amount of Series B Commercial Paper Notes purchased by the Bank from time to time pursuant to the JPMorgan Note Purchase Agreement; (b) downward by the amount of any reduction pursuant to Section 2.06 or 6.02 hereof; and (c) so long as the Revolving Credit Period has not terminated, upward in an amount equal to the principal amount of any Loan that is repaid pursuant to the terms hereof and the principal amount of any Series B Commercial Paper Notes repaid pursuant to the JPMorgan Note Purchase Agreement; provided, that, after giving effect to any such adjustment the Available Commitment shall never exceed $161,095,891. Any adjustments pursuant to clause (a), (b) or (c) above shall occur simultaneously with the event requiring such adjustment.

"*Bank*" has the meaning set forth in the introductory paragraph hereof.

"*Bank Agreement*" has the meaning set forth in Section 5.22 hereof.

"Banking Arrangements" means (a) the agreements of the Bank and the District set forth in this Agreement and the transactions described herein, including, without limitation, (i) any commitment to extend credit, to issue any credit or liquidity facility, to purchase any obligation of or for the benefit of the District, or to extend any other financial accommodation, (ii) any issuance, extension or maintenance of any of the foregoing, and (iii) any pledge, purchase or carrying of any obligation of or for the benefit of the District, and (b) any participation agreement or similar arrangement entered into in connection with the foregoing

"*Bank Note*" shall mean the promissory note evidencing Loans made by the Bank to the District, in substantially the form of Exhibit A attached hereto, with appropriate completions, and any and all renewals, extensions, or modifications thereof. The Bank Note is the Loan Note described in the Order.

"Base Rate" means, for any day, a rate per annum equal to the highest of (a) the Federal Funds Rate plus 2.00%, (b) the Prime Rate plus 1.50% and (c) seven and one half percent (7.50%).

"*Board*" shall mean the Board of Trustees of the District.

"*Bond Counsel*" shall mean and any firm or firms selected by the District whose opinion concerning bond matters is nationally recognized.

"*Business Day*" shall mean any day other than (i) a Saturday, Sunday or other day on which commercial banks located in the states of New York, Texas and such other location in which the office of the Bank at which a Notice of Loan is to be presented are authorized or required by law or executive order to close or (ii) a day on which the New York Stock Exchange is closed.

"Change in Law" means the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, statute, policy, interpretation, treaty, regulation, guideline or directive, (b) any change in any law, rule, statutes, policy, interpretation, treaty, regulation, guideline or directive or in the administration, promulgation, implementation,

enforcement, interpretation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline, policy, interpretation, treaty, regulation, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding the foregoing, any request, law, statute, rule, policy, interpretation, treaty, regulation, guideline or directive in connection with any Risk-Based Capital Guidelines, the Dodd-Frank Wall Street Reform and Consumer Protection Act, promulgated by the Bank of International Settlements, or the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) or arising in the administration, promulgation, implementation, enforcement, interpretation or application thereof, shall be deemed to be a Change of Law regardless of the date enacted, adopted, issued, promulgated or implemented

"*Chapter 45"* means Chapter 45, Texas Education Code, as amended.

"*Chapter 1207"* means Chapter 1207, Texas Government Code, as amended.

"*Chapter 1371"* means Chapter 1371, Texas Government Code, as amended.

"*Code*" shall mean the Internal Revenue Code of 1986, as amended, and when reference is made to a particular section thereof, the applicable Treasury Regulations from time to time promulgated or proposed thereunder.

"*Collateral*" shall mean the collateral described in Section 2.09 hereof.

"*Commercial Paper Notes*" has the meaning set forth in the Recitals hereof.

"*Commitment*" shall mean $161,095,891, as such amount may be reduced pursuant to Section 2.06 hereof, which amount is equal to the maximum principal amount of the Commercial Paper Notes in the amount of $150,000,000 (reduced by the principal amount of Series B Commercial Paper Notes purchased and held by the Bank, who is also obligated to purchase Series B Commercial Notes pursuant to the JPMorgan Note Purchase Agreement), and interest thereon at a maximum interest rate of 10% per annum for a period of 270 days, which amount shall be reduced if and to the extent that the authorized aggregate principal amount of the Commercial Paper Notes is reduced.

"*Commitment Fee*" has the meaning set forth in the Fee Agreement.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"*Controlled Group*" means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with the District or any subsidiary, are treated as a single employer under Section 414 of the Code.

"*Dealer*" shall mean the dealer or remarketing agent (one or more) selected from time to time by the District to market or remarket the Commercial Paper Notes in accordance with

Section 3.4 of the Order and the terms hereof. The initial Dealer shall be Citigroup Global Markets, Inc.

"*Dealer Agreement*" shall mean the Amended and Restated Dealer Agreement dated as of January 22, 2019 but effective as of February 20, 2019, between the District and the Dealer, approved and authorized to be entered into by Section 3.4 of the Order, as from time to time amended, supplemented, or substituted in accordance with the terms of the Order and the terms hereof, or an agreement with a new, replacement, substitute, or supplemented Dealer, approved and authorized to be entered into by Section 3.4 or the Order and the terms hereof from time to time.

"*Debtor Relief Laws*" means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"*Default*" shall mean any condition or event that constitutes an Event of Default (as defined in Section 6.01 hereof) or that with the giving of notice or lapse of time or both would, unless cured or waived, become an Event of Default.

"*Default Rate*" shall mean a rate of interest per annum equal to the Base Rate plus three and one-half percent (3.50%); *provided*, *however*, that at all times the Default Rate shall be subject to the limitations set forth in Section 2.04(c) hereof; *provided further*, *however*, that in no event shall the Default Rate be less than the highest per annum rate of interest applicable to any Outstanding Commercial Paper Notes.

"*District*" has the meaning set forth in the introductory paragraph hereof.

"*DTC*" shall mean The Depository Trust Company, New York, New York, or any successor entity thereof.

"*Effective Date*" shall mean August 17, 2023, subject to the satisfaction or waiver by the Bank of the conditions precedent set forth in Section 3.01 hereof.

"*Eligible Projects*" shall mean the improvements the District is authorized to make as set forth in the Order.

"*Environmental Law*" means any and all statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment or the release of any materials into the environment.

"*ERISA*" means the Employee Retirement Income Security Act of 1974, as amended.

"*Event of Default*" shall mean an Event of Default as defined in Section 6.01 hereof.

"*Excess Interest Amount*" has the meaning set forth in Section 2.04(c) hereof.

"Federal Funds Rate" means, for any day, the rate calculated by the NYFRB based on such day's federal funds transactions by depositary institutions, as determined in such manner as shall be set forth on the NYFRB's Website from time to time, and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate; provided that if the Federal Funds Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System of the United States of America.

"*Fee Agreement*" means that certain Amended and Restated Fee Agreement dated as of _____2023, but effective as of the Effective Date, between the District and the Bank, as the same may be amended, supplemented or otherwise modified from time to time by written instrument executed by the District and the Bank. The Fee Agreement is the Fee Letter described in the Order.

"*Final Date*" shall mean the earlier of:

(a) November 1, 2025, or such other date to which such day may be extended pursuant to Section 2.10 hereof; and

(b) the date the Commitment is reduced to zero pursuant to Section 2.06 or terminated pursuant to Section 6.02 of this Agreement; and

(c) the Substitution Date.

"*Fiscal Year*" has the meaning set forth in the Order.

"Fitch" means Fitch, Inc., or any successor thereto.

"*Governmental Authority*" shall mean the United States or any state or political subdivision thereof or any foreign nation or political subdivision thereof, any entity, body or authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government in the United States (or any state, municipality or political subdivision thereof) or any foreign nation or political subdivision thereof, including, without limitation, any central bank or other governmental or regulatory authority exercising control over the Bank or other financial institutions, and any corporation or other entity or authority owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing.

"*Guarantees*" means, for any Person, all guarantees, endorsements (other than for collection or deposit in the ordinary course of business) and other contingent obligations of such Person to purchase, to provide funds for payment, to supply funds to invest in any other Person or otherwise to assure a creditor of another Person against loss.

"*Highest Lawful Rate*" shall mean the maximum net effective interest rate permitted by law to be paid on obligations issued or incurred by the District in the exercise of its borrowing powers (as currently prescribed by Chapter 1204, Texas Government Code), as amended.

"*Holder*" shall mean the Bank and any other holder of the Bank Note or any entity to which the Bank or any such other holder sells a participation in the Bank Note (whether or not the District was given notice of such sale and whether or not the Holder has an interest in the Bank Note at the time amounts are payable to such Holder thereunder and under this Agreement).

"*Indebtedness*" of any Person means at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business (including, without limitation, accounts payable to construction contractors and other professionals for services rendered), (iv) all obligations of such Person as lessee under capital leases, (v) all debt of others secured by a Lien on any asset of such Person, whether or not such debt is assumed by such Person, (vi) all obligations of such Person under any Swap Contract, and (vii) all Guarantees of debt of a type described in any of clauses (i) through (vi) hereof.

"Interest Component" shall have the meaning given to such term in Section 2.01(a) hereof.

"*Issuing and Paying Agent*" or "*Paying Agent*" shall mean the agent appointed pursuant to Section 2.2 of the Order, or any successor to such agent. The initial Issuing and Paying Agent shall be Amegy Bank, a division of ZB, National Association.

"*Issuing and Paying Agency Agreement*" shall mean the Issuing and Paying Agency Agreement, dated as of January 22, 2019 (but effective as of February 20, 2019), between the District and the Issuing and Paying Agent, approved and authorized by Section 3.3 of the Order, as from time to time amended, supplemented, or substituted in accordance with the terms of the Order and this Agreement or an agreement with a new, replacement or substituted Issuing and Paying Agent, approved and authorized to be entered into by Section 3.3 of the Order and the terms hereof from time to time.

"JPMorgan Note Purchase Agreement" means the Amended and Restated Note Purchase Agreement between the Bank and the District dated as of July 24, 2023, but effective as of August 17, 2023, as it may be amended, supplemented or otherwise modified from time to time, concerning the Bank's purchase from time to time of the Series B Commercial Paper Notes.

"*Loans*" shall mean Advances and Term Loans.

"*Material Adverse Effect*" means, as to the District, any material adverse change in or effect on (i) the business, operations, assets, liabilities, condition (financial or otherwise) or results of operations of the District, (ii) the ability of the District to consummate the transactions contemplated by this Agreement or any of the Related Documents to which the District is or will be a party, or (iii) the ability of District to perform any of its obligations under this Agreement or any of the Related Documents to which the District is or will be a party.

"*Maximum Note Rate*" means 10% per annum.

"*Modified Indebtedness*" means (i) all obligations of the District for borrowed money evidenced by bonds, debentures, notes or similar instruments, (ii) all obligations of the District as

lessee under capital leases (x) which are not subject to appropriation or abatement or (y) which are rated by each Rating Agency then rating the Commercial Paper Notes at a level equal to or higher than the unenhanced general obligation long-term debt rating assigned by each such Rating Agency to the District's, unenhanced long-term general obligation debt, (iii) the obligations of the District under any Swap Contract (other than any termination payments under any Swap Contract) providing interest rate support with respect to any Indebtedness payable from or secured on a parity with or senior to the Commercial Paper Notes or the Bank Note and (iv) any Guarantee by the District secured on parity with or senior to the Commercial Paper Notes or the Bank Note (*provided*, *however*, that the failure to pay any such Guarantee as a result of any set-off, recoupment, counterclaim or any other defense of the District shall not constitute a failure to pay Modified Indebtedness for purposes of this Agreement).

"*Moody's*" shall mean Moody's Investors Service, Inc. or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the District.

"Note Payment Account" has the meaning set forth in the Order.

"*Notes*" shall mean the Commercial Paper Notes and the Bank Note.

"*Notice of Loan*" shall mean a written borrowing request in substantially the form of Exhibit B attached hereto, with appropriate completions, executed by an Authorized Official (or by the Issuing and Paying Agent acting on behalf of the District), which requests a Loan from the Bank.

"*No-Issuance Notice*" shall mean the notice described in Section 2.14 hereof.

"NYFRB" means the Federal Reserve Bank of New York.

"NYFRB's Website" means the website of the NYFRB at http://www.newyorkfed.org, or any successor source.

"*Offering Memorandum*" shall mean the disclosure document relating to the offering of the Commercial Paper Notes as such disclosure document may be updated from time to time.

"*Order*" shall mean the Second Amended and Restated Order adopted by the Board on July 24, 2023, as may be amended, supplemented or otherwise modified from time to time.

"Other Taxes" means all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or under any other Related Document or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Related Document including the Commercial Paper Notes.

"*Outstanding*" when used with reference to Commercial Paper Notes, as of the date of determination, shall mean all Commercial Paper Notes theretofore delivered, except:

(1) Commercial Paper Notes theretofore cancelled and delivered to the District or delivered to the Issuing and Paying Agent for cancellation;

(2) Commercial Paper Notes upon transfer of or in exchange for and in lieu of which other Commercial Paper Notes have been delivered pursuant to the Order; and

(3) Commercial Paper Notes under which obligations of the District have been released, discharged or extinguished in accordance with the terms thereof.

"Patriot Act" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107-56 (signed into law October 26, 2001).

"*Person*" shall mean an individual, a corporation, a partnership, a limited liability company, an association, a trust, or any other entity or organization, including a governmental or political subdivision or any agency or instrumentality thereof.

"*Plan*" means, with respect to the District and each subsidiary at any time, an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and either (i) is maintained by a member of the Controlled Group for employees of a member of the Controlled Group of which the District or such subsidiary is a part, (ii) is maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the Controlled Group of which the District or such subsidiary is a part is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions.

"*Prime Rate*" means the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

"Principal Component" shall have the meaning set forth in Section 2.01(a) hereof.

"*Project Costs*" has the meaning set forth in the Chapter 1371.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

"QFC Credit Support" has the meaning assigned to it in Section 7.26.

"*Rating Agencies*" shall mean Moody's, S&P and Fitch and any additional rating agency designated by the District with the written consent of the Bank.

"*Reduction Fee*" has the meaning set forth in the Fee Agreement.

"*Regulation U*" shall mean Regulation U of the Board of Governors of the Federal Reserve System (or any successor), as the same may be amended from time to time.

"*Related Documents*" shall mean the Order, the Issuing and Paying Agency Agreement, the Dealer Agreement, the Commercial Paper Notes, this Agreement, the Fee Agreement and the Bank Note.

"*Revolving Credit Period*" shall mean the period commencing on the Effective Date and continuing to the Final Date.

"Risk-Based Capital Guidelines" means (i) the risk-based capital guidelines in effect in the United States on the Effective Date, including transition rules, and (ii) the corresponding capital regulations promulgated by regulatory authorities outside the United States including transition rules, and any amendments to such regulations adopted prior to the Effective Date.

"*S&P*" shall mean Standard & Poor's Ratings Group, a Standard and Poor's Financial Services LLC business, or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the District.

"Sanctioned Country" means, at any time, a country, region or territory which is itself the subject or target of any Sanctions (at the time of this Agreement, the so - called Donetsk People's Republic, the so- called Luhansk People's Republic, the Crimea Region of Ukraine, Cuba, Iran, North Korea and Syria).

"Sanctioned Person" means, at any time, any Person subject or target of any Sanctions, including (a) any Person listed in any Sanctions-related list of designated Persons maintained by the U.S. government, including by Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, U.S. Department of Commerce, (b) any Person operating, organized or resident in a Sanctioned Country, (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b) (including, without limitation for purposes of defining a Sanctioned Person, as ownership and control may be defined and/or established in and/or by any applicable laws, rules, regulations, or orders).

"Sanctions" shall mean economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State.

"Series B Commercial Paper Notes" has the meaning set forth in the Recitals hereof.

"*Special Event of Default*" shall mean any of the Events of Default described in Section 6.01(a)(i), (e)(i), (f)(i), (g), (h), (i), (j)(i), (l) and (o) hereof.

"*Substitution Date*" means the date of acceptance by the District and the Issuing and Paying Agent of a substitute facility in replacement of this Agreement.

"*Suspension Event*" means the occurrence of an event which causes the suspension of the obligation to make Loans hereunder pursuant to Section 6.02(d) hereof.

"*Swap Contract*" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "*Master Agreement*"), including any such obligations or liabilities under any Master Agreement.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto

"*Termination Fee*" has the meaning set forth in the Fee Agreement.

"*Term Loan*" shall mean an Advance which has been converted to a term loan pursuant to Section 2.01(b) hereof.

"*Term Loan Maturity Date*" shall mean the date which is the earliest to occur of (i) three (3) years from the date such Term Loan is made, (ii) the Substitution Date and (iii) the date the Commitment is permanently reduced to zero or this Agreement is otherwise terminated prior to the date set forth in clause (a) of the definition of the term "*Final Date*" set forth in this Section 1.01.

"*Term Loan Rate*" shall means Base Rate plus 1.00% per annum; *provided however*, that in no event shall the Term Loan Rate be less than the highest per annum rate of interest applicable to any Outstanding Commercial Paper Notes.

Section 1.02. Incorporation of Certain Definitions by Reference. Any terms with an initial capital letter which are used herein and which are not otherwise defined herein shall have the meaning assigned to them in the Order as in effect on the Effective Date unless the context shall indicate a contrary meaning.

Section 1.03. Accounting Terms. All accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared in accordance with generally accepted accounting principles applied on a basis consistent (except for changes concurred in by the District's independent public accountants) with the most recent financial statements of the District delivered pursuant to Section 5.01.

Section 1.04. Interpretations. References to a "general obligation" of the District means those District obligations secured by and payable from, in whole or in part, the District's levy and collection of a debt service tax, without limit as to rate or amount, on all taxable property within its boundaries.

For purposes of clarity, the term general obligation does not encompass any obligations payable from the District's maintenance and operations tax. The table of contents and article and section headings of this Agreement are included herein for convenience of reference purposes only and shall not constitute a part of this Agreement or affect its interpretation in any respect. Except where the context otherwise requires, words imparting the singular number shall include the plural number and vice versa. References to any constitutional, statutory or regulatory provision means such provision as it exists on the Effective Date and any future amendments thereto or successor provisions thereof. All references to time herein shall refer to local time in New York, New York.

ARTICLE II

REVOLVING CREDIT; TERM LOANS

Section 2.01. Commitment to Lend. (a) *Revolving Credit*. The Bank agrees that it will, during the Revolving Credit Period, on the terms and conditions set forth in this Agreement, lend to the District from time to time amounts up to, but not to exceed, an aggregate amount at any one time outstanding equal to the Commitment. Each Advance by the Bank under this Section 2.01(a) shall be made in such amount equal to the Advance as may be requested by the Issuing and Paying Agent to enable the District to pay the principal of (the "Principal Component") and interest on (the "Interest Component") the maturing Commercial Paper Notes during the Revolving Credit Period and on the date of the Advance. Notwithstanding anything herein to the contrary, the aggregate amount of Advances made on any day shall not exceed the Commitment on such date. The Interest Component shall be due and payable two (2) Business Days after such Advance is paid by the Bank (and shall accrue interest from date of such Advance unless paid on the same day as such Advance pursuant to Section 2.04(a)). The Principal Component of any Advance may be paid by the District on any date, but shall be paid not later than its Advance Maturity Date, subject to the provisions of Section 2.01(b) below; *provided*, *however*, that in the event that on the date of any Advance (i) the representations and warranties set forth in Article IV hereof are not true and correct in all material respects or (ii) any Default or Event of Default shall have occurred and be continuing, such Principal Component of such Advance shall be due and payable on the date that is two (2) Business Days after such Advance is made; provided however, to the extent the District determines that ad valorem debt service tax revenues lawfully available to pay such Advance are not available at that time, such Advance shall not be due and payable until February 1 of the calendar year immediately following the date that the District next adopts an order levying ad valorem taxes on property subject to taxation by the District. The District may borrow under this Section 2.01(a), prepay under Section 2.07, and reborrow under this Section 2.01(a) at any time and from time to time during the Revolving Credit Period; *provided*, *however*, that the aggregate of all Advances and Term Loans which are not repaid shall not exceed the aggregate of the Commitment at any time.

(b) *Term Loans*. The Bank agrees that it will, so long as the terms and conditions set forth in Section 3.03 hereof shall have been satisfied, convert the Principal Component of an Advance, on its Advance Maturity Date, to a Term Loan. The principal amount outstanding under each Term Loan shall be repaid, in semiannual installments, with the first installment to be made on the February 1 that first occurs immediately succeeding the date on which such Term Loan is made, and each subsequent semiannual principal installment to be substantially equal and made on each August 1 and February

1 thereafter, and the remaining outstanding balance thereof to be due and payable in full on the Term Loan Maturity Date; *provided*, *however*, such first installment shall not be due and payable until February 1 of the calendar year immediately following the date of adoption by the Board of the order levying the District's annual ad valorem tax.

(c) Notwithstanding anything herein to the contrary, in no event shall the Bank be obligated to make Loans if the sum of such Loan plus the aggregate principal amount of Loans outstanding would be in excess of the Commitment in effect on such date.

Section 2.02. Method of Borrowing. Each Advance shall be made to the Issuing and Paying Agent pursuant to a completed Notice of Loan signed by the Issuing and Paying Agent and delivered to the Bank not later than 12:00 p.m. (noon) of the Business Day on which an Advance is to be made to the Issuing and Paying Agent. A completed and signed Notice of Loan shall be made to the Bank by delivery of a telecopy, electronic mail, or other written form containing the information prescribed in Exhibit B hereto. Notwithstanding the foregoing, the Bank shall, subject to the conditions set forth in this Section and in Section 3.02 hereof, honor a Notice of Loan made to the Bank on or after any date the Bank has delivered a No-Issuance Notice pursuant to Section 2.14 hereof, which is also a date upon which Commercial Paper Notes are due and payable.

Upon receipt by the Bank of a Notice of Loan, the request for an Advance as therein set out shall be irrevocable by the District. At or prior to 2:00 p.m. on the date for which the Advance is requested, and subject to satisfaction of the applicable conditions set forth in this Section 2.02 and Section 3.02 hereof, the Bank shall make available, in federal or other immediately available funds, to the Issuing and Paying Agent funds for the account of the District with instructions to deposit such funds to the Note Payment Account (with instructions for further deposit to any principal or interest payment subaccounts therein, as and if necessary). All Advances made by the Bank pursuant to the terms of this Agreement shall be made from funds of the Bank, and not from the funds of any other Person.

Section 2.03. Bank Note. (a) The Loans made by the Bank shall be evidenced by a Bank Note payable to the order of the Bank in a principal amount equal to the Commitment. The Bank Note shall bear interest on the aggregate principal balance of the outstanding Loans (which balance shall not exceed the principal amount of outstanding Loans received by the District or the Issuing and Paying Agent), and shall be due and payable on the dates, in the amounts and under the circumstances set forth herein and in the Bank Note. No interest shall begin to accrue on the Bank Note until such time as the District or the Issuing and Paying Agent has received a Loan from the Bank under this Agreement.

(b) The Bank shall record, and prior to any transfer of its Bank Note, shall endorse on the schedules forming a part thereof, appropriate notations to evidence the date, amount, type, and maturity of each Loan made by it and the date and amount of each payment of principal and interest made by the District with respect thereto; *provided*, *however*, that the failure of the Bank to make any such recordation or endorsement shall not affect the obligations of the District hereunder or under the Bank Note. In any legal action or proceeding in respect of this Agreement or a Bank Note, the notations made on the Bank Note or as provided by the Bank's accounting records shall be presumptive evidence of the existence and amount due thereunder. The Bank is

hereby authorized by the District to endorse the Bank Note and to attach to and make a part of the Bank Note a continuation or substitution of any such schedule as and when required.

Section 2.04. Interest. (a) *Interest Accrual*. (i) Each Advance shall bear interest at the Advance Rate or the Default Rate (as applicable) on the outstanding principal amount thereof for each day from the date such Advance is made until paid in full. To the extent that funds are advanced to the District to pay the Interest Component on Commercial Paper Notes and the District repays the Bank by 3:00 p.m. on the same Business Day that such funds are advanced for such purpose, no interest shall accrue on the Interest Component of such Advance.

(ii) Each Term Loan shall bear interest at the Term Loan Rate or the Default Rate (as applicable) on the outstanding principal amount thereof for each day from the date such Term Loan is made until paid in full.

(b) *Payment Dates*. (i) Interest on each Advance shall be payable monthly in arrears on the first Business Day of each month (commencing on the first such date to occur after the making of the related Advance) and on the Advance Maturity Date thereof.

(ii) Interest on each Term Loan shall be payable monthly in arrears on the first Business Day of each month (commencing on the first such date to occur after the making of the related Term Loan) and on the Term Loan Maturity Date.

(c) Notwithstanding anything contained herein or in the Bank Note to the contrary, to the extent permitted by law, (i) if at any time the Base Rate, the Advance Rate, the Term Loan Rate or Default Rate, as the case may be, exceeds the Highest Lawful Rate, then (x) interest at the Highest Lawful Rate shall be due and payable and (y) interest at the rate equal to the difference between (A) the applicable rate and without regard to the limitation of this Section 2.04(c) and (B) the Highest Lawful Rate (the "*Excess Interest Amount*") shall be deferred until such date as the applicable rate ceases to exceed the Highest Lawful Rate, at which time the District shall pay to the Bank, with respect to amounts then payable to the Bank that are required to accrue interest hereunder, such portion of the Excess Interest Amount as will cause the rate of interest then paid to the Bank to equal the Highest Lawful Rate, which payments of the Excess Interest Amount shall continue to apply to such unpaid amounts hereunder and under the Order, to the greatest extent permitted by law, until all Excess Interest Amount is fully paid to the Bank; *provided*, *however*, that no payment of any portion of the Excess Interest Amount shall occur after the final maturity of the Commercial Paper Notes. Upon the termination of this Agreement, to the extent permitted by applicable law, in consideration for the limitation of the rate of interest otherwise payable hereunder, the District shall pay to the Bank a fee equal to the amount of all unpaid portions of the Excess Interest Amount; provided, that such fee shall not cause the net effective interest rate on the Notes to exceed the maximum net effective interest rate under Section 1204.005 of Texas Government Code.

(d) Notwithstanding anything contained herein or in the Bank Note to the contrary, the Excess Interest Amount due under the Bank Note shall be paid by the

District to the Bank from the District's ad valorem debt service tax revenues lawfully available for such purpose, but to the extent the District determines such funds are not available at that time, shall not be required to be paid by the District until February 1 of the calendar year immediately following the date that the District next adopts an order levying ad valorem taxes on property subject to taxation by the District and such Excess Interest Amount shall not accrue interest pending payment.

(e) To the extent permitted by law, any overdue principal of and overdue interest on any Loan or any other amount due to the Bank hereunder shall bear interest, payable on demand, for each day the same is overdue until paid, at a rate per annum equal to the Default Rate, payable on demand; *provided*, *however*, payment by the District is to be made from the District's ad valorem debt service tax revenues lawfully available for such purpose, but to the extent the District determines such funds are not available, shall not be due and payable prior to February 1 of the calendar year immediately following the date the Board next adopts an order levying ad valorem taxes for the payment thereof.

(f) All computations of interest in respect of Loans under this Agreement shall be made on a 365-day year basis and actual days elapsed. Each determination of an interest rate by the Bank pursuant to any provision of this Agreement shall be conclusive and binding on the District and the Bank in the absence of manifest error. In addition, any calculation made pursuant to this Section 2.04(f) hereof that would cause the interest (including amounts described in Section 2.04(e) hereof) paid, payable, or accruing on the indebtedness of the District under this Agreement and the Bank Note to exceed the Highest Lawful Rate shall be adjusted so as to reduce the interest paid, payable, and accruing hereunder to such Highest Lawful Rate, as more fully set out in Section 2.04(c) hereof. All sums paid or agreed to be paid to the Bank for the use, forbearance, or detention of the indebtedness evidenced by the Bank Note shall, to the extent permitted by law (including, to the extent applicable, Chapter 1204, Texas Government Code, as amended), be amortized, prorated, allocated, and spread through the full term of the Bank Note.

(g) Notwithstanding anything contained herein to the contrary, the interest rates applicable to Loans may be changed at any time upon the mutual written agreement of the District and the Bank. If any such change in the interest rates applicable to Loans is so agreed to, this Agreement and the Bank Note shall remain outstanding and continue in full force and effect, with no modification other than as to the change in the interest rates applicable to Loans, and all Loans will continue to be made under the Bank Note in accordance with this Agreement, modified only to reflect the agreement of the parties with respect to the changed interest rate applicable to Loans.

Section 2.05. Fees. The District hereby agrees to pay to the Bank all amounts set forth in the Fee Agreement on the terms, in the amounts and in the manner set forth herein and therein and the terms of the Fee Agreement are hereby incorporated herein by reference as if fully set forth herein. Any reference herein to fees and/or any other amounts or obligations payable hereunder or under this Agreement shall include, without limitation, all fees and other amounts or obligations payable pursuant to the Fee Agreement, and any reference to this Agreement shall be deemed to include a reference to the Fee

Agreement. All computations of fees and other amounts due under the Fee Agreement shall be made by the Bank on the basis of a year of 360 days and the actual number of days elapsed.

Section 2.06. Termination or Reduction of Commitment. (a) During the Revolving Credit Period, the District may, upon at least three (3) Business Days notice to the Bank, the Issuing and Paying Agent, the Dealer, and any Rating Agency which has issued a rating on the Commercial Paper Notes, reduce from time to time the aggregate unused Commitment by $1,000,000 or any integral multiple of $100,000 in excess thereof; *provided* that the District may not reduce the Commitment if the Available Commitment as proposed to be reduced would be less than the sum of the aggregate principal of all Outstanding Commercial Paper Notes. The notice delivered pursuant to the preceding sentence must certify that the conditions set forth in the proviso to such sentence have been satisfied and the Bank shall be entitled to rely upon such certification without any further investigation.

(b) The Commitment shall terminate on the date set forth in clause (a) of the definition of Final Date.

(c) If the Commitment is terminated in its entirety, all accrued Commitment Fees shall be payable on the effective date of such termination. If the Commitment is reduced, Commitment Fees on the amount by which the Commitment is so reduced shall be payable on the effective date of such reduction and Commitment Fees on the amount by which the Commitment is reduced shall cease to accrue on the date of such reduction.

(d) Notwithstanding any provision of this Agreement or any Related Document to the contrary, the District agrees not to terminate the Commitment, except upon (i) the payment by the District to the Bank of the Termination Fee, if any, in the amount set forth in the Fee Agreement, (ii) the payment to the Bank of all Obligations payable hereunder, under the Bank Note and under the Fee Agreement and (iii) the District providing the Bank with thirty (30) days' prior written notice of its intent to terminate the Commitment; *provided* that all payments to the Bank referred to in clauses (i) and (ii) above shall be made in immediately available funds.

(e) Notwithstanding the foregoing and anything set forth herein to the contrary, the District agrees not to permanently reduce the Commitment except upon payment by the District to the Bank on the date of such reduction of the Reduction Fee, if any, in the amount set forth in the Fee Agreement, such amount to be made in immediately available funds.

Section 2.07. Prepayment of Loans. (a) *Optional Prepayments*. The District may, at its option, upon written notice to the Bank, at any time and from time to time, prepay Loans, in whole or in part, without premium or penalty. Each partial prepayment permitted above shall be in the principal amount of $100,000 or any multiple thereof plus accrued interest thereon.

(b) *Mandatory Prepayments*. If on any date (A) the sum of the aggregate principal amount of outstanding Loans exceeds the amount of the Commitment, the District shall immediately prepay the Loans in an amount equal to such excess, (B) the aggregate principal amount of Outstanding Commercial Paper Notes exceeds the amount of the Available Commitment, the District shall immediately prepay the Loans in an

amount equal to such excess, or (C) any Commercial Paper Notes are sold to finance the repayment of a Loan, the District shall immediately prepay any outstanding Loans in an amount equal to the sum of the proceeds from such sale.

(c) Upon receipt by the Bank of a notice of prepayment pursuant to this Section, such notice shall not be revocable by the District.

(d) Each prepayment shall be accompanied by the payment of accrued interest to the date of such prepayment on the amount prepaid.

Section 2.08. General Provisions as to Payment. The following general provisions shall apply to all payments of Commitment Fees and payments due under the Bank Note and hereunder:

(a) The Bank shall calculate and notify the District in writing of the amounts payable by the District hereunder and the Fee Agreement not less than ten (10) Business Days preceding any payment date; provided that in no event shall the failure by the Bank to timely delivery such invoice affect the obligations of the District to make all such payments in the amount and on the dates required in this Agreement or the Fee Agreement. Such calculations will be based on the assumptions that the Advance Rate, the Term Loan Rate or the Default Rate, as applicable, will not change from the date of calculation to the payment date. In the event any of such applicable rates change between the date of notification and the payment date, any overpayment or underpayment resulting from such change will be applied to the next ensuing payment or reimbursement, as the case may be.

(b) The District shall make each payment due to the Bank hereunder or under the Fee Agreement not later than 3:00 p.m. on the day when due, in federal or other funds immediately available, by wire transfer to such account as the Bank may from time to time designate. All payments received by the Bank after 3:00 p.m. shall be determined to have been received on the next succeeding Business Day and the applicable interest or fee shall continue to accrue.

(c) Whenever any payment due hereunder or under the Fee Agreement shall be due on any day which is not a Business Day, the date for payment thereof shall be extended to the next succeeding Business Day. If the date for the payment or prepayment of amounts due hereunder or under the Fee Agreement is extended by the preceding sentence, or by operation of law, or otherwise, interest thereon shall be payable for the period of such extension at the rate applicable thereto under other provisions of this Agreement.

Section 2.09. Security for Bank Note. The Bank Note is a general obligation of the District payable from and secured solely by the funds pledged therefor pursuant to the Order, including specifically Section 2.11 thereof, and this Agreement, as authorized thereby. To provide security for the payment of the principal of and interest on the Commercial Paper Notes, the Bank Note and any amounts due under this Agreement and under the Fee Agreement, as the same shall become due and payable, the District has granted a lien on and pledge of the following:

(a) the proceeds from the sale of Commercial Paper Notes from time to time issued to pay principal amounts of or interest on outstanding Commercial Paper Notes and the Bank Note,

(b) proceeds from the sale of general obligation bonds issued by the District from time to time hereafter for the purpose of paying the principal amounts of or interest on outstanding Commercial Paper Notes and the Bank Note,

(c) Loans made to pay the principal amounts of and interest on outstanding Commercial Paper Notes,

(d) amounts held in the Note Payment Account, and

(e) the proceeds of the tax levy, as set forth in the Order.

To provide additional security for the payment of the principal of and interest on the Bank Note and other amounts due under this Agreement and the Fee Agreement as the same shall become due and payable, as provided in Section 2.11 of the Order, the District has provided for a lien on the proceeds from any Advance. The District has also levied a continuing direct annual ad valorem tax upon all taxable property in the District, without legal limit as to rate or amount, sufficient to pay principal and interest due on the Commercial Paper Notes and the Bank Note and other amounts due hereunder and under the Fee Agreement. All of such sources and pledges are herein called the "*Collateral*." The Bank Note shall further be entitled to the benefits of this Agreement.

Chapter 1208, Texas Government Code, applies to the Bank Note and the obligations hereunder and under the Fee Agreement and the pledge made under this Section 2.09, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bank Note or any obligation hereunder or under the Fee Agreement is outstanding and unpaid such that the pledge made by the District hereunder is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the Bank the perfection of the security interest in said pledge, the District agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Section 2.10.Extension of Revolving Credit Period. Not more than one hundred twenty (120) days prior to the Final Date, the District may submit a written request in the form of Exhibit F hereto to the Bank that the Final Date be extended for an additional period as agreed to by the parties hereto. The District may request one or more such extensions. Any such written request may be accompanied by requests to increase or decrease the amount, or otherwise modify the terms and conditions, of the Commitment. The Bank has no obligation to agree to extend the Revolving Credit Period or any other request or condition accompanying such request. If the Bank, in its sole discretion following such request by the District, agrees to extend the Revolving Credit Period, the Bank shall give written notice of the election by the Bank to extend to the District, the Issuing and Paying Agent and the Dealer within thirty (30) days from the date of receipt of information necessary, in the Bank's reasonable judgment, to permit the Bank to make an informed credit decision; and such extension shall be subject to

preparation, execution and delivery of documentation in form and substance satisfactory to the Bank and the District. If the Bank does not so notify the District, the Final Date shall not be so extended. At the time of any extension, the Bank may, in its sole discretion as a condition to such extension, require changes in the terms and conditions of this Agreement, including the Commitment Fee, the Advance Rate, the Term Loan Rate or the Default Rate.

Section 2.11. Notice of Issuing and Paying Agent. The District will give written notice to the Bank of the appointment of any new or substitute Issuing and Paying Agent, which notice shall specify the name and address of the Issuing and Paying Agent and the name of a person to contact at the Issuing and Paying Agent.

Section 2.13. Compliance with Law. Notwithstanding any other term or provision of this Agreement, the Fee Agreement or of the Bank Note, the maximum amount of interest which may be payable by, charged to, or collected from the District, or any other person either primarily or conditionally liable for the payment of the Bank Note, shall be limited to, and shall in no event or under any circumstance exceed, the Highest Lawful Rate so that, notwithstanding any other term or provision of this Agreement, the Fee Agreement or the Bank Note, the aggregate of the interest on any Loan, including all fees and other amounts which constitute interest under applicable state law (and any applicable federal statutes), shall never exceed the Highest Lawful Rate. Accordingly, the District and the Bank stipulate and agree that this Agreement, the Fee Agreement and the Bank Note shall not be construed to create a contract to pay interest for the use, forbearance, or detention of money at a rate in excess of the Highest Lawful Rate, and the District shall never be liable for interest in excess of the Highest Lawful Rate.

Specifically and without limiting the generality of the foregoing, it is further agreed among the District and the Bank that the maximum amount of interest contracted for and payable on or under this Agreement, the Fee Agreement and the Bank Note, now or hereafter shall be calculated in order that such rate shall not exceed the Highest Lawful Rate, and such parties agree that:

(a) In the event of voluntary prepayment of any Loan or payment prior to the Advance Maturity Date or the Term Loan Maturity Date, if the aggregate amount of any interest calculated thereunder or thereon, plus any other amounts which constitute interest on such Loan would, in the aggregate, if charged or paid, exceed the Highest Lawful Rate, then in such event the amount of such excess shall not be charged, payable or due (if not previously paid) or (if paid) shall be credited toward the payment of the principal of the Loan involved so as to reduce the amount thereof and if, and to the extent, the entire principal amount has been paid in full, refunded to the District.

(b) The provisions of this Section 2.13 shall control over any other provisions of this Agreement, the Fee Agreement, the Bank Note, any other instrument or writing evidencing, respecting or affecting the Loans, and the Bank further agrees that any limitations or restrictions imposed on it, or on payments which it may receive by reason of this Section 2.13, shall apply and be recognized in all circumstances and to all payments, regardless of the source or payor thereof; *provided*, *however*, that this Section 2.13 shall not be construed to prohibit the payment of the Excess Interest Amount as described in Section 2.04 hereof.

(c) All fees prescribed in Section 2.05 and in the Fee Agreement shall constitute exclusively the consideration for the Bank's agreement to have available funds in the amount committed by the Bank in respect of Loans and to make such Loans in the future as provided herein and shall not constitute or be treated as compensation for the use of, forbearance, or detention of money actually loaned and advanced hereunder.

Section 2.14. No-Issuance Notice. If an Event of Default that is not a Special Event of Default shall have occurred and be continuing, then the Bank may deliver a notice to that effect ("*No-Issuance Notice*") pursuant to Section 6.02(c) hereof. A No-Issuance Notice shall be given in writing, delivered to the Issuing and Paying Agent (and to the District and the Dealer), substantially in the form of Exhibit C hereto. The Bank agrees that if, after the delivery of a No-Issuance Notice, the Event of Default shall no longer be continuing and the Bank shall have received a notice from an Authorized Official to that effect, then the Bank shall deliver a notice (a copy of which may be delivered by the Bank to the District and the Dealer) to the Issuing and Paying Agent rescinding such No-Issuance Notice.

Section 2.15. Obligations Absolute. The obligations of the District under this Agreement and the Fee Agreement shall be absolute, unconditional and irrevocable and shall be paid or performed strictly in accordance with the terms of this Agreement and the Fee Agreement, under all circumstances whatsoever, including, without limitation, the following circumstances: (i) any lack of validity, legality or enforceability of this Agreement, the Fee Agreement, the Bank Note or any other Related Document, or any other instrument, agreement or other document executed and delivered by the District in connection with any of the foregoing; (ii) any amendment or waiver of or any consent to departure from all or any of the Related Documents, or any other instrument, agreement or other document executed and delivered by the District in connection with any of the foregoing; (iii) any statement or other document presented under this Agreement proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect whatsoever; (iv) the making of a Loan after the delivery of a Notice of Loan that does not comply with the terms of this Agreement; (v) the existence of any claim, set-off, defense or other rights which the District may have at any time against the Issuing and Paying Agent (or any Person for whom the Issuing and Paying Agent may be acting), any Dealer, the Bank or any other Person, whether in connection with this Agreement, the transactions contemplated herein or in the Related Documents or any unrelated transaction; or (vi) any other circumstance (whether or not similar to any of the foregoing), it being agreed that the obligations hereunder and under the Fee Agreement shall not be discharged except by the performance thereof strictly in accordance with the terms of this Agreement and the Fee Agreement including, without limitation, the payment in full as herein provided of all amounts owing hereunder and under the Fee Agreement.

ARTICLE III

CONDITIONS

Section 3.01. Conditions to Closing and Commencement of the Revolving Credit Period. This Agreement shall be delivered to, and binding upon, the District and the Bank on the date on which the conditions set out in this Section 3.01 shall have been satisfied, and the Revolving Credit Period shall commence on such date.

(a) a counterpart of this Agreement and the Fee Agreement duly executed by the District and the Bank;

(b) the duly executed Bank Note, dated as of the Effective Date, complying with the provisions of Section 2.03 hereof and substantially in the form set forth in Exhibit A hereto;

(c) a copy of the Order, including any amendments thereto;

(d) a certificate of an Authorized Official in form and substance satisfactory to the Bank, dated the Effective Date, and containing the representations substantially in the form of Exhibit D hereto;

(e) an opinion of Bond Counsel on which the Bank may rely, dated the Effective Date, in form and substance satisfactory to the Bank and its counsel;

(f) copies of the Issuing and Paying Agency Agreement and the Dealer Agreement;

(g) copy of the executed JPMorgan Note Purchase Agreement;

(h) copies of all approvals or authorizations by, or consents of, or notices to or registrations with, any governmental body or agency required for the District to enter into this Agreement, the Fee Agreement and the other Related Documents and of all such approvals, authorizations, consents, notices, or registrations required to be obtained or made prior to the Effective Date in connection with the transactions described herein and in the other Related Documents;

(i) copies of the District's investment policy, guidelines and permitted investments;

(j) rating letters from S&P and Fitch which confirm that the Commercial Paper Notes have received short-term ratings of "A-1" (or its equivalent) or better by S&P and "F1" (or its equivalent) or better by Fitch;

(k) evidence of the underlying rating on the District's unlimited tax bonds from S&P of "AA+" and Fitch of "AA+".

(l) a certificate of incumbency, dated on or before the Effective Date, executed by the Secretary of the Board;

(m) written confirmation that a CUSIP number has been obtained from Standard and Poor's CUSIP Services for the Bank Note;

(n) an approving opinion of the Office of the Attorney General of the State of Texas; and

(o) such other documents, opinions, or certificates reasonably requested by the Bank.

Section 3.02. Conditions to Loans During Revolving Credit Period.

The obligation of the Bank to make any Advance, when so requested hereunder during the Revolving Credit Period, is subject to receipt by the Bank of a Notice of Loan as required by Section 2.02 hereof and to the satisfaction of the further conditions that no Special Event of Default has occurred and no Suspension Event has occurred and is continuing. In addition, the Bank shall not have any obligation to make an Advance to the District to pay the principal of or interest on any Commercial Paper Notes which were issued by the District after receipt by the Issuing and Paying Agent, the Dealer, and an Authorized Official of a No-Issuance Notice.

Section 3.03. Conditions to Term Loan. The obligation of the Bank to make any Term Loan is subject to satisfaction of the conditions that (A) no Default or Event of Default has occurred and is continuing, and (B) the representations and warranties of the District contained in this Agreement or the other Related Documents are true and correct in all respects as of the date of the conversion to a Term Loan.

Section 3.04. Conditions to Issuance of Additional Commercial Paper Notes. Notwithstanding the foregoing, the District shall provide no fewer than ninety (90) days' written notice to the Bank of its intention to increase the amount of the Commercial Paper Notes outstanding; provided, that the failure of the District to provide such written notice, or the issuance of Commercial Paper Notes in excess of the amount reflected in the notice, shall not result, in and of itself, in the Bank having the ability to issue a No-Issuance Notice. Failure to provide notice as provided above shall not constitute a Default or an Event of Default hereunder

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE DISTRICT

Section 4.01. Organization and Powers. The District (a) is a political subdivision and independent school district duly established and validly existing under the constitution and laws of the State of Texas; (b) has full power and authority to operate, acting through the Board, and to acquire, construct, finance, and operate the Eligible Projects; (c) has full power and authority to adopt the Order; to execute, deliver, and perform the Order, this Agreement, the Fee Agreement and the other Related Documents; to borrow hereunder, and to execute, deliver, and perform the Bank Note and (d) has full power and authority to receive Loans and otherwise incur general obligation debt in accordance with this Agreement, the Fee Agreement and the other Related Documents and pay the principal of and interest on the Commercial Paper Notes, the Bank Note and all of the District's Obligations hereunder (including, without limitation, the obligation, to repay all Loans, to pay all interest thereon, and to pay all fees and other amounts payable hereunder and as specified under and pursuant to the Fee Agreement).

Section 4.02. Authorization Contravention. The execution, delivery, and performance by the District of this Agreement, the Fee Agreement, the Bank Note and the other Related Documents and the making of the payments under the Bank Note have been duly authorized by all necessary action by the

District and do not contravene, conflict, or result in the violation or breach of, or constitute a default under, any provision of Applicable Law.

Section 4.03. Governmental Consent or Approval. The District is in compliance with all Applicable Laws, orders, regulations, and other requirements of governmental authorities. No authorization, consent, approval, permit, license, or exemption of, or filing or registration with, any court or governmental department, commission, board, bureau, agency, or instrumentality that has not been already obtained or issued (or will have been obtained on or prior to the Effective Date) is or will be necessary for the valid adoption, execution, delivery or performance by the District of the Related Documents, including the Bank Note and this Agreement.

Section 4.04. Binding Effect. This Agreement, the Fee Agreement, the Bank Note and the Related Documents constitute valid and binding obligations of the District, assuming this Agreement and the Fee Agreement represent valid and binding agreements of the Bank and, with respect to the other Related Documents that include a counterparty to the District, such other Related Document represents the valid and binding agreement of such counterparty, enforceable against the District in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium, or other laws or equitable principles relating to or limiting creditor's rights and remedies generally.

Section 4.05. Federal Reserve Regulations. No part of the proceeds of any Commercial Paper Notes or any Loan will be used for the purpose, whether immediate, incidental, or ultimate, of purchasing or carrying any margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System, as amended from time to time), or extending credit to others for the purpose of purchasing or carrying any margin stock, or for any other purpose which would violate any of the regulations of said Board of Governors.

Section 4.06. Litigation. There is no action, suit, or proceeding to which the District is a party pending in any court or, to the knowledge of the District, threatened against or affecting the District, or relating to other Applicable Laws or regulations, or this Agreement or the other Related Documents in any court or before or by any governmental department, agency, instrumentality, or arbitrator the resolution of which could reasonably be expected to materially and adversely affect the ability or authority of the District to perform its obligations under this Agreement or the other Related Documents, or which in any manner questions the validity or enforceability of this Agreement or the other Related Documents or the granting, perfection, enforceability, or priority of the lien on and pledge of the Collateral provided in Section 2.09, except any action, suit, or proceeding (i) as described in the Offering Memorandum prepared by the District and Dealer relating to the Commercial Paper Notes or (ii) which may be brought prior to the Effective Date as to which the Bank has received an opinion of counsel satisfactory to the Bank, in form and substance satisfactory to the Bank and its counsel, to the effect that such action, suit, or proceeding is without substantial merit.

Section 4.07. No Default. The District is not in default under (i) any order, writ, injunction or decree of any court or governmental body, agency or other instrumentality applicable to it, or (ii) any law or regulation applicable to it, or (iii) any of its debt, or (iv) any contract, agreement or instrument to which it is a party or by which it or its property is bound, in each case, which default could have a material adverse effect on the properties, business, revenues, condition (financial or other), results of operations or prospects of the District or an adverse effect on the validity or enforceability of, or the

authority or ability of the District to perform its obligations under, this Agreement and the other Related Documents; and no event has occurred which with the giving of notice or the passage of time or both would constitute such a default. No Default or Event of Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Related Document.

Section 4.08. Financial Statements. All financial statements of the District delivered to the Bank have been prepared in accordance with generally accepted accounting principles consistently applied and fairly present the financial condition of the District. No material adverse change in the business, properties, condition (financial or otherwise), or operations, present or prospective, of the District has occurred since the date thereof.

Section 4.09. Complete and Correct Information. All information, reports, and other papers and data with respect to the District furnished by the Board to the Bank in connection with this Agreement were, at the time the same were so furnished, complete and correct in all material respects. No document furnished or written information provided by the District in connection with the negotiations, preparation, or execution of this Agreement contains any untrue statement of a fact material to its creditworthiness or omits to state a material fact necessary in order to make the statements contained therein not misleading.

Section 4.10. Collateral. The Order creates and constitutes a valid continuing irrevocable lien on and pledge of the Collateral.

Section 4.11. Incorporation by Reference. The representations and warranties (and related defined terms used therein) made by the District in the Related Documents are hereby incorporated herein by reference and made for the benefit of the Bank. Except as made in accordance with the terms hereof, no amendment, modification, termination or replacement of any such representations, warranties and definitions contained in the Related Documents shall be effective to amend, modify, terminate or replace the representations, warranties, covenants and definitions incorporated herein by this reference, without the prior written consent of the Bank.

Section 4.12. Legislation. Except to the extend disclosed to the Bank in writing, there is no amendment or, to the knowledge of the District, proposed amendment to the constitution of the State of Texas or any administrative interpretation of the constitution of the State of Texas or any State of Texas law, or any legislation that has passed either house of the legislature of the State of Texas, or any judicial decision interpreting any of the foregoing, the effect of which will materially adversely affect the issuance of any of the Commercial Paper Notes, the security for any of the Commercial Paper Notes or the District's obligations hereunder, under the Bank Note or under any of the other Related Documents to which it is a party, or the District's ability to repay when due its obligations under this Agreement, under the Bank Note or any other Related Document, or any of its general obligation bonds.

Section 4.13. Environmental Matters. The District has not received notice to the effect that its operations are not in compliance with any of the requirements of applicable federal, state or local environmental, health and safety statutes and regulations or are the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could

reasonably be expected to have a material adverse effect on the assets, financial condition, or operations of the District or its ability to perform its obligations under the Related Documents.

Section 4.14. Tax-Exempt Status. The District has not taken any action or omitted to take any action, and knows of no action taken or omitted to be taken by any other Person, which action, if taken or omitted, would adversely affect the exclusion of interest on the Commercial Paper Notes from gross income for federal income tax purposes.

Section 4.15. Compliance with Laws and Contracts. The execution, delivery and performance by the District of this Agreement and the other Related Documents to which it is a party will not (i) violate any provision of any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award as currently in effect to which the District is subject; (ii) result in a breach of or constitute a default under the provisions of any indenture, loan or credit agreement or any other agreement, lease or instrument to which the District may be or is subject or by which it, or its property, is bound; or (iii) result in, or require, the creation or imposition of any mortgage, deed of trust, assignment, pledge, lien, security interest or other charge or encumbrance of any nature on or with respect to any of the properties of the District other than as provided therein; and the District is not in default under any such law, rule, regulation, order, writ, judgment, injunction, decree, determination or award or any such indenture, agreement, lease or instrument, except for such noncompliance that singly or in the aggregate has not caused and could not reasonably be expected to cause a Material Adverse Effect.

Section 4.16. Solvency. The District is, and upon the incurrence of any obligation by the District on any date on which this representation and warrant is made will be, solvent and able to pay its debts as they become due.

Section 4.17. No Tax or Fee. None of the execution or delivery of this Agreement or the other Related Documents, the extension of credit provided herein or the making of any Loan will give rise to any tax or fee imposed by any local or state agency or governmental body, except for those which have been paid.

Section 4.18. Issuance of Commercial Paper Notes. Each issuance of Commercial Paper Notes by the District shall be deemed a representation by the District that (a) the District has complied in all material respects with all of the terms and provisions of this Agreement and the other Related Documents, (b) on such date, and after giving effect to the issuance of the Commercial Paper Notes, no Default or Event of Default has occurred or is continuing, (c) the representations and warranties of the District contained in this Agreement and the other Related Documents to which it is a party are true and correct in all material respects on and as of the date of issuance of the Commercial Paper Notes in question as though made on and as of such date, and (d) the aggregate amount of Commercial Paper Notes Outstanding, after issuance of the Commercial Paper Notes will not exceed the Commitment available to be drawn hereunder.

Section 4.19. Commercial Paper Notes. Each Commercial Paper Note (including the Bank Note) has been duly and validly issued under the Act, the Order and the Issuing and Paying Agency Agreement and entitled to the benefits thereof.

Section 4.20.Immunity. To the extent such obligations are not uncertain or in dispute, the District is not entitled to claim immunity on the grounds of sovereignty, or similar grounds, from (i) relief by writ of mandamus to perform its obligations under this Agreement, the Fee Letter, the Order, or the Commercial Paper Notes or (ii) enforcement by writ of mandamus of its payment obligations with respect to any Notes or other amounts due under this Agreement or the Fee Letter.

Section 4.21.Employee Benefit Plan Compliance. The District has no funding liability or obligation currently due and payable with respect to any employee benefit plan which could reasonably be expected to materially and adversely affect the ability of the District to perform its obligations hereunder or under any other Related Document. The District is otherwise in compliance with the terms of any such plan in which the District participates to the extent any such failure to comply could reasonably be expected to materially and adversely affect the ability of the District to perform its obligations hereunder or under any other Related Document. Neither the District nor any employee benefit plan maintained by the District is subject to ERISA. The District is not subject to ERISA and maintains no Plans.

Section 4.22.Anti-Corruption Laws. The District and, to the knowledge of the District, its respective officers, employees, directors, trustees and agents, that will act in any capacity in connection with or benefit from the transactions established by the Related Documents are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) the District or, to the knowledge of the District, any of its respective directors, officers, trustees or employees that will act in any capacity in connection with or benefit from the transactions established by the Related Documents, or (b) to the knowledge of the District any agent of the District that will act in any capacity in connections with or benefit from the transactions established by the Related Documents is a Sanctioned Person. No proceeds of the transactions contemplated by the Related Documents will violate Anti-Corruption Laws or applicable Sanctions.

Section 4.23.ERISA. The District is not subject to Title IV of ERISA.

ARTICLE V

COVENANTS OF THE DISTRICT

The District and the Board, as applicable, agree that during the term of this Agreement and while the Bank Note is Outstanding:

Section 5.01.Information. The District will deliver to Bank:

(a) the District within 180 days after the end of each Fiscal Year, a copy of the audited financial statements of the District prepared in accordance with generally accepted accounting principles applicable to independent school districts of the State of Texas such as the District, consistently applied, and audited by independent certified public accountants of recognized standing, including such information that is required by applicable Texas law and the rules of the Texas Education Agency from time to time promulgated and applicable to the District;

(b) concurrently with the delivery of the financial statements in (a) above, a no default certificate of the District from an Authorized Official in the form of Exhibit H hereto;

(c) promptly after the issuance thereof, copies of any prospectus, official statement, offering circular, placement memorandum, or similar or corresponding document, and any supplements thereto and updates and amendments thereof, that the District makes available in connection with the offering, issuance or incurrence of obligations secured by all or any portion of the Collateral, and, on request, copies of such other financial reports that the Board shall customarily and regularly provide to the public;

(d) forthwith upon the occurrence of any Event of Default a certificate of an Authorized Official setting forth the details thereof and the action which the Board is taking or proposes to take with respect thereto, a report showing the aggregate amount and maturities of Commercial Paper Notes outstanding at the end of the preceding month and a summary of the aggregate principal amount of Commercial Paper Notes issued, rolled over or retired in such period;

(e) promptly, and in any event within ten (10) Business Days, notice of any change (whether upward or downward) in any unenhanced debt rating assigned by Moody's, Fitch or S&P (any additional rating agency designated by the District with the written consent of the Bank) to any general obligation bonds of the District;

(f) notice of (i) the existence and status of any litigation which individually or in the aggregate could, in the event of an unfavorable outcome, have a material adverse effect on (A) the financial condition or operations of the District or its performance of its obligations hereunder or under any of the Related Documents, (B) the Commercial Paper Notes, (C) the payment of the principal of and interest on the Bank Note and all other amounts due under this Agreement, or (D) the enforceability or validity of any of the Related Documents, (ii) any change in any material fact or circumstance represented or warranted in this Agreement or in any of the Related Documents, or (iii) any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect;

(g) as soon as available and in any event within forty-five (45) days after the end of each Fiscal Year, a copy of the annual budget of the District; and

(h) upon written request of the Bank, any other financial information reasonably requested.

Any of the above information required to be delivered to the Bank pursuant to (a)-(h) above may be provided in electronic form, if available, including by referencing such information as being available on the MSRB information website (currently EMMA).

Section 5.02. Access to Records. The District will (i) furnish to the Bank such information regarding the financial condition, results of operations, or business of the District and its performance under this Agreement and the other Related Documents, as the Bank may reasonably request, (ii) upon at least 48 hours prior notice, permit any officers, employees, or agents of the Bank to visit and inspect

during the regular operating hours of the District any of the properties of the District and to discuss matters with the District's officers and accountants reasonably pertinent to the assets, liabilities, financial condition, results of operations, or business of the District, and (iii) permit the Bank to copy and make abstracts from any and all of said books and records (except books and financial records the examination of which by the Bank is prohibited by law, information made confidential by law or by agreement with third parties, or by attorney or client privileges), all at such reasonable times as the Bank may reasonably request. All information received by or provided to the Bank pursuant to this Agreement, unless otherwise made public by the District or required by law to be disclosed, will be held as confidential information by the Bank.

Section 5.03. Limitation on Commercial Paper Notes. The District will not issue any Commercial Paper Notes except in accordance with the Order.

Section 5.04. Proceeds of Commercial Paper Notes. The proceeds of the Commercial Paper Notes will be used by the District solely for the purposes described in the Order. The District shall not use the proceeds of any credit extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose, in each case in violation of, or for a purpose which violates, or would be inconsistent with, Regulation T, U or X of the Board of Governors of the Federal Reserve System.

Section 5.05. Performance and Compliance with Other Covenants. The District shall fully and faithfully perform each of the covenants required of it pursuant to the provisions of the Related Documents.

Section 5.06. No Amendment of Certain Contracts or Orders. The District will not consent to or enter into any amendment, modification or supplement to, or waiver of any of the provisions of the Related Documents without the prior written consent of the Bank, which consent will not unreasonably be withheld. The District will give the Bank notice as promptly as practicable (but in no event less than five (5) Business Days) of any proposed amendments to or modifications or waivers of any provisions of the Order and of any meeting of the Board at which any of the foregoing will be discussed or considered.

Section 5.07. Supplemental Orders and Further Assurances. The District will at any and all times, insofar as it may be authorized so to do by law, pass, make, do, execute, acknowledge, and deliver all and every such further resolutions, acts, assignments, recordings, filings, transfers, and assurances as may be required by law to maintain all and singular the rights, revenues, and other funds and the Collateral hereby pledged or assigned to the payment of the Bank Note, or intended so to be, of which the District may become bound to pledge or assign and to carry out the intent and purpose of this Agreement and the other Related Documents.

Section 5.08. Indebtedness, Taxes and Liabilities. The District will pay all its indebtedness and obligations promptly and in accordance with its terms and pay and discharge or cause to be paid and discharged promptly all taxes, assessments, and governmental charges or levies imposed upon it or upon its income and profits, or upon any of its property, real, personal, or mixed, or upon any part thereof, before the same shall become in default, except for those matters which are reasonably being contested

in good faith by appropriate action or proceedings or for which the District has established adequate reserves in accordance with generally accepted accounting principles applicable to governmental entities.

Section 5.09. Restrictions on Use of Proceeds. The proceeds of the Loans will be applied by the District only to pay the principal of and interest on the Commercial Paper Notes coming due during the Revolving Credit Period. None of the funds borrowed by virtue of this Agreement will be used in any manner or for any purpose except in the manner and for the purposes authorized by Texas law, this Agreement and the Order.

Section 5.10. Compliance With Law. The District shall comply with all laws, ordinances, orders, rules, investment policies and guidelines and regulations (including without limitation, compliance with Environmental Laws and state securities and blue sky laws in connection with the offering, sale and delivery of the Commercial Paper Notes) that may be applicable to it if the failure to comply could have a material adverse effect on the properties, business revenues, condition (financial or other), results or operations of the District or on the security for any of the Commercial Paper Notes, the Bank Note or any obligation owed to the Bank hereunder or under the Fee Agreement, or the ability of the District to perform its obligations under this Agreement and the other Related Documents.

Section 5.11. Insurance. The District will maintain insurance with insurers of good standing, to the extent that such insurance is available, or self-insure (to the extent permitted by law), against risks, accidents or casualties against which and to the extent customarily insured against by political subdivisions of the State of Texas operating similar properties.

Section 5.12. Investments Generally. The District shall comply with the provisions of the Public Funds Investment Act (Chapter 2256, as amended, Texas Government Code).

Section 5.13. Ratings. The District will maintain at least two underlying long-term credit ratings on its general obligation Indebtedness from Moody's, S&P or Fitch (or such other rating agency designated by the District with the written consent of the Bank).

Section 5.14. Notification of Liabilities. The District shall notify the Bank of the occurrence of any actual or potential contingent liability which would have a materially adverse effect on the District's ability to perform its obligations under this Agreement and the other Related Documents.

Section 5.15. Tax Exempt Program. The District shall comply with the Order and maintain the tax-exempt status of its Commercial Paper Notes.

Section 5.16. Other Agreements. The District shall not enter into any agreement which would be violated or breached by the performance of the District's obligations under this Agreement, the Related Documents, or the JPMorgan Note Purchase Agreement.

Section 5.17. Levy of Taxes. The District shall comply with the provisions of the Order regarding the levy of ad valorem taxes during each year during the term of this Agreement sufficient to provide for the timely payment of principal of and interest on the Bank Note and the Commercial Paper Notes (taking into account any other sources of funding that are lawfully available therefor) and shall levy taxes and take such further action to provide for the payment of the District's obligations under this Agreement, the Bank Note, and the Commercial Paper Notes.

Section 5.18. Maintenance of Existence. The District shall at all times preserve and maintain its existence as a school district under Chapter 45, as amended, or a successor statute.

Section 5.19. Alternate Credit Facility. Unless the District provides that no Commercial Paper Notes will at such time be Outstanding, the District agrees to use its best efforts to obtain an Alternate Credit Facility to replace this Agreement prior to the Final Date or other termination of this Agreement in the event (i) the Bank shall decide not to extend the Final Date pursuant to Section 2.10 hereof or (ii) the District terminates this Agreement pursuant to Section 2.06 hereof. The District shall not cause an Alternate Credit Facility to become effective with respect to less than all the Commercial Paper Notes at such time Outstanding without the prior written consent of the Bank, unless it has made provision for the payment of such Commercial Paper Notes.

The District agrees that, as a condition to the effectiveness of any Alternate Credit Facility, the District whether from its own funds or the provider of an Alternate Credit Facility shall provide funds to the extent necessary, in addition to other funds available, on the effective date of such Alternate Credit Facility, to make the payments set forth in Article II hereof to the Bank on such effective date. On such effective date, any and all obligations due hereunder and all principal and interest due on the Bank Notes shall be payable in full to the Bank.

Section 5.20. Offering Document. The District shall not refer to the Bank in any offering document or make any changes in reference to the Bank in any offering document without the Bank's prior written consent thereto (the Bank hereby giving its written consent to the reference to it in the Offering Memorandum as in effect on the Effective Date to the extent the same conforms to information provided by the Bank for inclusion in such Offering Memorandum or an Official Statement identifying the Bank as the credit provider for the Commercial Paper Notes under this Agreement or the lender under the JPMorgan Note Purchase Agreement).

Section 5.21. Total Outstanding. At no time shall the District permit (i) the aggregate principal amount of the Commercial Paper Notes and the Series B Commercial Paper Notes Outstanding to exceed the Available Commitment; and (ii) the sum of (A) the aggregate principal amount of the Commercial Paper Notes and the Series B Commercial Paper Notes Outstanding and all interest to accrue on the Commercial Paper Notes through the maturity dates thereof, and (B) the aggregate principal amount of all outstanding and unpaid Advances and Term Loans, to exceed the Commitment.

Section 5.22. Reserved.

Section 5.23. Incorporation by Reference. From and after the date hereof and so long as this Agreement is in effect, except to the extent compliance in any case or cases is waived in writing by the Bank pursuant to the terms hereof, the District agrees that it will, for the benefit of the Bank, comply with, abide by, and be restricted by all of the agreements, covenants, obligations and undertakings of the District contained in the Order and the other Related Documents, which provisions, together with the related definitions, and ancillary provisions, are hereby incorporated herein by reference, and made a part hereof to the same extent and with the same force and effect as if the same had been herein set forth in their entirety and it will be deemed to continue in effect for the benefit of the Bank, without regard or giving effect to any amendment or modification of such provisions or any waiver of compliance therewith, no such amendment, modification or waiver are to any manner constitute an

amendment, modification or waiver of the provisions thereof as incorporated herein without the prior written consent of the Bank.

Section 5.24. Dealer; Issuing and Paying Agent. The District shall not, without the prior written consent of the Bank (such consent not to be unreasonably withheld), appoint a successor Dealer or Issuing and Paying Agent. The District shall, with respect to the Commercial Paper Notes, at all times maintain a Dealer and an Issuing and Paying Agent pursuant to the terms of the Related Documents. Any dealer agreement with a successor dealer shall provide that (a) such Dealer may resign only upon appointment of a successor dealer, (b) such dealer shall use its best efforts to sell the Commercial Paper Notes up to the Maximum Note Rate without regard to the Advance Rate or Term Loan Rate, (c) such dealer shall offer the Commercial Paper Notes at the Maximum Note Rate permitted under the Related Documents and (d) if such dealer fails to perform its duties under such dealer agreement (including, without limitation, an inability or failure to sell Commercial Paper Notes for thirty (30) consecutive days, to pay maturing Commercial Paper Notes), the District, at the written request of the Bank, will replace such dealer with a dealer satisfactory to the Bank.

Section 5.25. Consolidation, Merger, etc. The District will not liquidate or dissolve or otherwise dispose of all or substantially all of its assets (whether in a single transaction or a series of transactions) or merge into another Person or permit one or more other Persons to consolidate with or merge into it, unless each of the following conditions shall have been fulfilled: (i) after giving effect to such disposition, consolidation or merger, no Default or Event of Default will have occurred and be continuing; (ii) the Person to which such disposition is made or the Person surviving such consolidation or merger (if such Person is not the District) assumes in writing, reasonably satisfactory in form and substance to the Bank, the performance of all of the obligations, covenants, agreements and conditions of this Agreement and the Related Documents; and (iii) the District shall have given to the Bank not less than 30 days' prior written notice of such disposition, merger or consolidation and furnished to the Bank (a) all such information concerning such disposition, consolidation or merger as the Bank shall have reasonably requested, and (b) a certificate of an appropriate officer of the District to the effect that each of the conditions precedent to such disposition, merger or consolidation contained in this Section 5.27 has been fulfilled.

Section 5.26. Payment Obligations. The District shall promptly pay or cause to be paid all amounts payable by it hereunder and under the other Related Documents, as applicable, according to the terms hereof or thereof.

Section 5.27. Swap Termination Payments. In no event shall any lien on the Collateral securing any swap termination payments be first in priority to or *pari passu* with the lien granted in support of the Bank Note and the obligations under the Order.

Section 5.28. Further Assurances. The District shall, upon the request of the Bank, from time to time, execute and deliver and, if necessary, file, register and record such further financing statements, amendments, confirmation statements and other documents and instruments and take such further action as may be reasonably necessary to effectuate the provisions of this Agreement and the Related Documents. The District will pay or cause to be paid all filing, registration and recording fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment of such instruments of further assurance, and all federal or state fees and other similar

fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Agreement, the Related Documents and such instruments of further assurance.

Section 5.29. Maintenance of Approvals; Filings, Etc. The District shall at all times maintain in effect, renew and comply with all the terms and conditions of all consents, licenses, approvals and authorizations as may be necessary or appropriate under any applicable law or regulation for its execution, delivery and performance of this Agreement and the other Related Documents.

Section 5.30. Accuracy of Information. All data, certificates, reports, opinions of counsel, documents and other information furnished to the Bank, whether pursuant to this Agreement, or in connection with or pursuant to an amendment or modification of, or waiver under, this Agreement shall, at the time the same are so furnished, (i) be complete and correct in all material respects, and (ii) not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements contained therein not misleading, and the furnishing of the same to the Bank shall constitute a representation and warranty by the District to that effect. Each financial statement furnished to the Bank, whether pursuant to this Agreement, or in connection with or pursuant to an amendment or modification of, or waiver under, this Agreement, shall, at the time the same is so furnished, fairly present the financial condition and results of operations of the District.

Section 5.31. Immunity. To the extent permitted by applicable law and to the extent that it hereinafter has or acquires any such immunity, the District shall waive immunity on the grounds of sovereignty or similar grounds solely with respect to (i) relief by writ of mandamus to perform its obligations under this Agreement, or (ii) enforcement by writ of mandamus of its payment obligations with respect to the Commercial Paper Notes or other amounts due under this Agreement or the Fee Letter.

ARTICLE VI

DEFAULTS AND REMEDIES

Section 6.01. Events of Default. One or more of the following events ("*Events of Default*") shall have occurred and be continuing:

(a) the District shall fail to pay (i) any principal of or interest on the Bank Note, any Advance, Loan or any Term Loan when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) (other than payments on Loans or the Bank Note due solely as a result of acceleration caused by the Bank, pursuant to Section 6.02), or (ii) any principal of or interest under the Bank Note which is declared due and payable pursuant to the provisions of Section 6.02, or (iii) any Commitment Fee or any other amount payable hereunder and under the other Related Documents;

(b) any representation, warranty, certification, or statement made by the District in this Agreement or in any certificate, financial statement, or other document delivered pursuant to this Agreement shall prove to have been incorrect in any material respect when made or deemed to have been made;

(c) breach by the District of any covenant, agreement, or condition contained in Section 5.01(d), 5.01(e), 5.03, 5.04, 5.06, 5.07, 5.09, 5.13, 5.15, 5.17, 5.18, 5.19. 5.21, 5.25, 5.27, or 5.31 hereof;

(d) breach by the District of any other covenant, agreement, or condition (other than those referred to or contained in clauses (a), (b), or (c) above) contained in this Agreement or the Bank Note and the continuation thereof for more than forty-five (45) days;

(e) (i) one or more final unappealable judgments or orders for the payment of money which individually or in the aggregate exceed $10,000,000 shall be rendered against the District and such judgment or order shall continue unsatisfied and unstayed for a period of 60 days, or (ii) the District shall have failed promptly to lift any execution, garnishment, or attachment pursuant to such judgment or order as, in the written opinion of an Authorized Official, will impair the District's ability to carry on its business;

(f) the District shall fail to pay when due and payable (i) any principal of or interest on any general obligation Modified Indebtedness (including, in each case, without limitation, any principal or sinking fund installments but excluding a failure to pay any amount which has been accelerated pursuant to the terms of a letter of credit, credit agreement, standby bond purchase agreement or other similar instrument), and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, order, resolution or instrument providing for the creation of or concerning such Modified Indebtedness; or any failure to pay principal or interest on any general obligation Modified Indebtedness under any indenture, order, resolution or instrument providing for the creation of or concerning such Modified Indebtedness shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to pay principal or interest on such Modified Indebtedness is to accelerate, or to permit the acceleration of, the maturity of such Modified Indebtedness; or (ii) any principal of or interest on any other general obligation Indebtedness of the District and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation thereof or any other default under any indenture, contract or instrument providing for the creation of or concerning such other Indebtedness, or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such default or event is to accelerate, or to permit the acceleration of, the maturity of such other debt;

(g) the District shall (i) commence a voluntary case, petition, or other proceeding or other action (x) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts or (y) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or the District shall make a general assignment for the benefit of its creditor or admit in writing its inability

to pay its debts generally as they become due or shall become insolvent within the meaning of Section 101(32) of the United States Bankruptcy Code;

(h) a receiver, liquidator, custodian, or other official, appointed in an involuntary case or proceeding commenced against the District, appointed without consent or acquiescence of the District, takes charge of the District and such action as to the District is not stayed, discharged, or vacated for a period of sixty (60) days;

(i) (i) an involuntary case or other proceeding shall be commenced against the District seeking (x) liquidation, reorganization, or other relief with respect to the District's bonds or other obligations under any bankruptcy, insolvency, or other similar law now or hereafter in effect or (y) the appointment of a custodian, receiver, liquidator, trustee or other similar official of the District, and such proceeding or case shall not be dismissed or stayed within sixty (60) days after the filing thereof, or (ii) an order of relief shall be entered against the District under federal bankruptcy laws as now or hereafter in effect;

(j) (i) any provision of this Agreement or any other Related Documents (other than the Dealer Agreement and the Fee Agreement) relating to the District's ability to make payments on the Commercial Paper Notes or the Bank Note or to raise funds to meet such payment obligations or the pledge of and lien on the Collateral, in any case, shall at any time for any reason cease to be valid and binding or fully enforceable on the District as a result of federal or state legislative or administrative action, or shall be declared in a final non-appealable judgment by any court having jurisdiction over the District to be null and void, invalid, or unenforceable, (ii)(x) the validity or enforceability of any provision of this Agreement or any other Related Documents (other than the Dealer Agreement and the Fee Agreement) referred to in clause (i) of this subsection (j) shall be contested by the District, (y) the District shall deny that the District has any payment obligations on the Commercial Paper Notes or the Bank Note or (z) the District shall repudiate such payment obligations or (iii) any material provision of this Agreement or the other Related Documents other than the provisions described in clause (i) of this subsection (j) shall at any time for any reason cease to be valid and binding on the District as a result of federal or state legislative or administrative action, or shall be declared in a final non-appealable judgment by any court having jurisdiction over the District to be null and void, invalid, or unenforceable, or the validity or enforceability thereof shall be contested by the District;

(k) the Order shall be modified or amended in any way without the prior written consent of the Bank;

(l) S&P, Fitch, and Moody's shall have (i) assigned any general obligation Indebtedness of the District a long-term rating below "BBB-" (S&P and Fitch) and "Baa3" (Moody's), or (ii) suspended or withdrawn ratings of the Commercial Paper Notes or any other general obligation Indebtedness of the District for credit related reasons;

(m) to the extent that it has provided (and at such time maintains) a rating on a series of District general obligation bonds, S&P, Fitch, or Moody's shall have assigned any general obligation Indebtedness of the District a long-term rating below "A" (S&P and Fitch) or "A2" (Moody's);

(n) the imposition of federal taxation on interest received by any holder of the Commercial Paper Notes;

(o) (i) the District shall impose a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any general obligation Modified Indebtedness of the District that ranks senior to or on a parity with the Commercial Paper Notes and the Bank Note or (ii) any Governmental Authority having appropriate jurisdiction over the District shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the Commercial Paper Notes and the Bank Note or on all general obligation Indebtedness of the District;

(p) an "event of default", as defined in any Related Document, shall (subject to any materiality standard, periods of grace, or opportunity to cure as may be provided in the subject Related Document) have occurred; or

(q) an "event of default" under the JPMorgan Note Purchase Agreement shall have occurred.

Section 6.02. Remedies. (a) Upon the occurrence of any Special Event of Default, the Commitment shall immediately terminate, and the Bank shall have no obligation to make Loans to purchase then Outstanding Commercial Paper Notes upon maturity. Further, the Bank may declare the Bank Note, all accrued interest thereon, and all other amounts payable under this Agreement to be forthwith due and payable, whereupon the Bank Note and such interest and all such amounts shall become and be forthwith due and payable to the extent permitted by law without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the District; *provided*, *however*, payment by the District is to be made when such amounts are declared due and payable, from the District's ad valorem debt service tax revenues and lawfully available for such purpose, but to the extent the District determines that such funds are not available, shall not be due and payable prior to February 1 of the calendar year immediately following the date the Board next adopts an order levying ad valorem taxes for the payment thereof.

(b) Upon the occurrence of any Event of Default, interest shall be charged on the unpaid principal balance of the Loan at the Default Rate commencing on the date on which the event occurred, after any applicable cure or grace period, giving rise to such Event of Default. Further, upon failure by the District to pay the Commitment Fee or any other amount payable hereunder, such unpaid Commitment Fee or other amount shall accrue interest at the Default Rate, commencing on the date on which the event occurred; *provided*, *however*, payment by the District of such additional interest due to the Bank shall be made when such amounts are due and payable, from the District's ad valorem

debt service tax revenues lawfully available for such purpose, but to the extent the District determines that such funds are not available, shall not be due and payable prior to February 1 of the calendar year immediately following the date the Board next adopts an order levying ad valorem taxes for the payment thereof.

(c) Upon the occurrence of an Event of Default that is not a Special Event of Default, the Bank, may (i) issue a No-Issuance Notice and instruct the Dealer and the Issuing and Paying Agent to terminate the marketing and remarketing of the Commercial Paper Notes and (ii) by notice to the District and the Issuing and Paying Agent terminate the Commitment, if any (except as provided below), and the Commitment shall thereupon terminate; *provided*, *however*, the Commitment shall not terminate and the Bank shall not be relieved of its obligation to make Loans in accordance with the terms of Article II hereof to the extent, but only to the extent, necessary for the District to make required payments of principal of and interest on the Commercial Paper Notes issued and sold prior to the time a No-Issuance Notice is received by the Issuing and Paying Agent; *provided further* that if any Loans are made that would not have been made but for the application of the immediately preceding provision, such Loans shall be immediately due and payable on the date such Loans are made; *provided*, *however*, payment by the District is to be made when such amounts are declared due and payable, from the District's ad valorem debt service tax revenues lawfully available for such purpose, but to the extent the District determines that such funds are not available, shall not be due and payable prior to February 1 of the calendar year immediately following the date the Board next adopts an order levying ad valorem taxes for the payment thereof.

(d) Upon the occurrence of a Default under Section 6.01(h) or (i) hereof prior to the expiration of the 60-day period described in such sections, the obligations of the Bank to make Loans hereunder shall be suspended and remain suspended until the case, proceeding, order, or other action referred to such section is either dismissed or stayed within sixty (60) days from the commencement of such case, proceeding, order, or other action or the termination of this Available Commitment occurs, whichever is first. In the event such case, proceeding, order or other action is terminated prior to the 60-day period, the obligations of the Bank to make Loans hereunder shall be reinstated and the terms of this Agreement will continue in full force and effect (unless the obligations of the Bank to make Loans hereunder shall have otherwise expired or terminated in accordance with the terms hereof or there has occurred a Special Event of Default) as if there had been no such suspension.

(e) Failure to take action in regard to one or more Defaults or Events of Default shall not constitute a waiver of, or the right to take action in the future in regard to, such or subsequent Defaults or Events of Default.

Section 6.03. Suits at Law or in Equity and Mandamus. In the case one or more Events of Default shall occur, then and in every such case the Holders of the Bank Note shall be entitled to proceed to protect and enforce such Holders' rights by such appropriate judicial proceeding as such Holder shall deem most effectual to protect and enforce any such right, either by suit, in equity, or by action at law, whether for the specific performance of any covenant or agreement contained in this Agreement, or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable

right vested in the Holder by this Agreement or the Bank Note or by law. The provisions of this Agreement shall be a contract with each and every Holder and the duties of the District may be enforceable by any Holder by mandamus or other appropriate suit, action, or proceeding in any court of competent jurisdiction.

Section 6.04. Cross Defaults. If there shall be an event of default under any other document authorizing the issuance of any general obligation bonds by the District, the District shall not issue any additional Commercial Paper Notes until such event of default is cured or remedied.

Section 6.05. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Bank or the Holders is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statutute or otherwise, and may be exercised at any time or from time to time, and as often as may be necessary, by the Bank or any Holder.

ARTICLE VII

MISCELLANEOUS

Section 7.01. Net of Taxes, Etc.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of the District hereunder or under any other Related Document shall to the extent permitted by Applicable Law be made free and clear of and without reduction or withholding for any Taxes. If, however, Applicable Law requires the District or the Bank to withhold or deduct any Tax, such Tax shall be withheld or deducted in accordance with such Applicable Law as determined by the District or the Bank, as the case may be, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If the District or the Bank shall be required by the Code to withhold or deduct any Taxes, including both United States Federal backup withholding and withholding taxes, from any payment, then (A) the Bank shall withhold or make such deductions as it shall determine to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) the Bank shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the Code, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable by the District shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section) the Bank receives

an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the District. Without limiting the provisions of subsection (a) above, the District shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with Applicable Law.

(c) Tax Indemnifications.

(i) Without limiting the provisions of subsection (a) or (b) above, the District shall, and does hereby, to the extent permitted by the Laws of the State of Texas, indemnify the Bank and shall make payment in respect thereof within 30 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) withheld or deducted by the District or the Bank, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of any such payment or liability delivered to the District by the Bank shall be conclusive absent manifest error.

(ii) Without limiting the provisions of subsection (a) or (b) above, the Bank shall, and does hereby, indemnify the District, and shall make payment in respect thereof within 30 days after written demand therefor, against any and all Taxes and any and all related losses, claims, liabilities, penalties, interest and expenses (including the fees, charges and disbursements of any counsel for the District) incurred by or asserted against the District by any Governmental Authority as a result of the failure by the Bank to deliver, or as a result of the inaccuracy, inadequacy or deficiency of, any documentation required to be delivered by Bank to the District pursuant to subsection (e).

(d) Evidence of Payments. Upon request by the District or the Bank, as the case may be, after any payment of Taxes by the District or by Bank to a Governmental Authority as provided in this Section 7.01, the District shall deliver to the Bank or the Bank shall deliver to the District, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Applicable Law to report such payment or other evidence of such payment reasonably satisfactory to the District or the Bank, as the case may be.

(e) Status of Bank; Tax Documentation.

(i) Bank shall deliver to the District, at the time or times prescribed by Applicable Law or when reasonably requested by the District, such properly completed and executed documentation prescribed by

Applicable Law or by the taxing authorities of any jurisdiction and such other reasonably requested information as will permit the District to determine (A) whether or not payments made hereunder or under any other Related Document are subject to Taxes, (B) if applicable, the required rate of withholding or deduction, and (C) the Bank's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of all payments to be made to the Bank by the District pursuant to this Agreement or otherwise to establish Bank's status for withholding tax purposes in the applicable jurisdiction.

(ii) Without limiting the generality of the foregoing, if the District is resident for tax purposes in the United States, the Bank shall deliver to the District executed originals of Internal Revenue Service Form W-9 or such other documentation or information prescribed by applicable Laws or reasonably requested by the District as will enable the District to determine whether or not the Bank is subject to backup withholding or information reporting requirements.

(iii) Bank shall promptly (A) notify the District of any change in circumstances which would modify or render invalid any claimed exemption or reduction, and (B) take such steps as shall not be materially disadvantageous to it, in the reasonable judgment of the Bank, and as may be reasonably necessary (including the re designation of its Lending Office) to avoid any requirement of Applicable Laws of any jurisdiction that the District make any withholding or deduction for taxes from amounts payable to the Bank.

(f) Survival. All of the District's obligations under this Section 7.01 shall survive termination of the Commitment and repayment of all other Obligations hereunder and under the Fee Agreement

Section 7.02. Increased Costs.

(a) In the event that after the date of the execution hereof any Change in Law shall either:

(i) limit the deductibility of interest on funds obtained by the Bank to pay any of its liabilities or subject the Bank to any tax, duty, charge, deduction or withholding on or with respect to payments relating to the Bank Note, the Term Loan or any Banking Arrangements, or any amount paid or to be paid by the Bank hereunder or under the Fee Agreement (other than any tax measured by or based upon the overall net income of the Bank imposed by any jurisdiction having control over the Bank);

(ii) impose, modify, require, make or deem applicable to the Bank any reserve requirement, capital requirement, special deposit requirement, insurance

assessment or similar requirement against any assets held by, deposits with or for the account of, or loans or commitments by, a domestic office of the Bank;

(iii) change the basis of taxation of payments due the Bank under this Agreement, the Fee Agreement, the Bank Note, the Term Loan or any Banking Arrangements (other than by a change in taxation of the overall net income of the Bank); or

(iv) impose upon the Bank any other condition with respect to any amount paid or payable to or by the Bank or with respect to this Agreement, the Fee Agreement, the Bank Note, the Term Loan or any Banking Arrangements;

(v) and the result of any of the foregoing shall be to increase the cost to the Bank of extending, issuing or maintaining any of the Banking Arrangements or to reduce any amount (or the effective return on any amount) received or receivable by the Bank in connection with the Banking Arrangements (which increase in cost or reduction in yield shall be the result of the Bank's reasonable allocation, in a nondiscriminatory manner among borrowers having obligations to the Bank similar to those of the District, of the aggregate of such cost increases or yield reductions resulting from such event), then, to the extent permitted by law, the District shall pay to the Bank, from time to time as specified by the Bank, additional amounts which shall be sufficient to compensate the Bank for all such increased costs or reductions in yield and shall be paid to the Bank as provided for in clause (d) below.

(b) Capital Adequacy. If the Bank shall have determined that a Change in Law has or would have the effect of reducing the rate of return on capital of the Bank as a consequence of its obligations hereunder to a level below that which the Bank could have achieved but for such adoption, change or compliance (taking into consideration the policies of the Bank with respect to capital adequacy) by an amount deemed by the Bank to be material, upon written request of the Bank and to the extent permitted by law, the District shall pay to the Bank from time to time, as specified by the Bank, such additional amount or amounts as will compensate the Bank for such reduction from the date of such Change in Law together with interest on each such amount from the date payment is demanded until the earlier of the date of payment in full as provided in clause (c) below.

(c) Certificates for Reimbursement. All payments of amounts referred to in paragraphs (a) and (b) of this Section shall be due thirty (30) calendar days following the District's receipt of notice thereof. Interest on the sums due as described in paragraphs (a) and (b) of this Section 7.02, shall begin to accrue from the date when the payments were first due and shall otherwise be payable in accordance with Section 2.08 hereof; provided, that from and after the required date of payment, interest shall begin to accrue on such obligations at a rate per annum equal to the Default Rate until such delinquent payments have been paid in full. A certificate as to such increased cost, increased capital or reduction in return incurred by the Bank as a result of any event mentioned in paragraphs (a) or (b) of this Section 7.02 setting forth, in reasonable detail, the basis for calculation and the amount of such calculation shall be submitted by the Bank to the District and shall be conclusive (absent manifest error) as to the amount thereof. In

making the determinations contemplated by the above referenced certificate, the Bank may make such reasonable estimates, assumptions, allocations and the like that the Bank in good faith determines to be appropriate.

(d) Notwithstanding anything contained in Section 7.02, the District shall have no liability to the Bank for any increased costs, increased capital or reduction in return to the extent incurred by the Bank more than one (1) year prior to the date the above described certificate is given to the District with respect thereto (the "Cut-Off-Date"), except where (A) the Bank, through no fault of its own (including dereliction of duty to know), had no actual knowledge of the action resulting in such increased costs as of the Cut-Off-Date or (B) such increased costs apply to the Bank retroactively to a date prior to the Cut-Off-Date. If the Bank shall impose increased costs pursuant to this Section 7.02 then the District shall be able to terminate this agreement as provided in Section 2.06 hereof; provided however, such termination shall be permitted without payment of a Termination Fee.

(e) Survival. All of the District's obligations under this Section 7.02 shall survive termination of the Commitment and repayment of all other Obligations hereunder and under the Fee Agreement.

Section 7.03.Notices and Accounts. Except as otherwise provided herein, all notices, requests, and other communications to any party hereunder shall be in writing (including telecopy, bank wire, or similar writing) and shall be given to such party at its address set forth on the signature pages hereof or such other address (physical or electronic) or telecopy number as such party may hereafter specify for the purpose of giving notice. Each such notice, request or other communication shall be effective (i) if given by telecopy, when such telecopy is transmitted to the telecopy number hereafter specified by any party for the purpose of giving notice and the appropriate acknowledgment is received, (ii) if given by mail, 72 hours after such communication is deposited in the United States mail with first class postage prepaid, addressed as aforesaid, or (iii) if given by any other means, when delivered at the address specified in this Section; *provided*, *however*, that notices to the Bank under Article II hereof shall not be effective until received. Notices to other parties shall be given at the following addresses or telecopy numbers or such other address or telecopy number hereinafter specified by such parties:

If to the District:

Fort Bend Independent School District
16431 Lexington Boulevard
Sugar Land, Texas 77479
Attention: Mr. Bryan Guinn
Chief Financial Officer
Telephone: (281) 634-5048
Email: Bryan.Guinn@fortbendisd.com

With a copy to: Suzanne.Owen@fortbendisd.com

If to the Bank:

All Notices, Information required under Section 5.01 and a copy of each Request for Advance:

All Notices and a copy of each Request for Advance:
383 Madison Avenue, Floor 3
Mail Code: NY1-M165
New York, NY 10179
Attention: Public Finance, Justin Wahn
Telephone: (212) 270-3813
Facsimile: (917) 456-3564
E-mail: justin.d.wahn@jpmorgan.com

Each Request for Advance and a copy of each other Notice:

JPMorgan Chase Bank, National Association
JPM-Delaware Loan Operations
500 Stanton Christiana Road, NCC5, Floor 01
Newark, DE 19713-2107
Attention: Contact Name – PFG Servicing
Telephone: Contact Number – 302-634-9588
Email/Fax: PFG_Servicing@jpmorgan.com

In each case, with a copy to:
E-mail: public.finance.notices@jpmorgan.com

If to the Issuing and Paying Agent:

Amegy Bank, a division of ZB, National Association
1801 Main Street, Suite 850
Houston, TX 77002
Telephone: (713)232-1919
Telecopy: (713)571-5010
Email: arla.scott@amegybank.com

If to the Dealer:

Citigroup Global Markets Inc.
390 Greenwich Street, 2nd Floor
New York, New York 10013
Attention: Short-Term Tax Exempt Trading
Telephone: 212.723.7082
Telecopy: 212.723.8939
Email: robert.j.demichiel@citi.com

If to S&P's:

S&P Global Ratings
25 Broadway
New York, New York 10004
Attention: Municipal Commercial Paper Ratings
Telephone: (212) 208-1811
Telecopy: (212) 412-0506

If to Fitch:

Fitch Ratings, Inc.
33 Whitehall Street
New York, New York 10004
Attention: Public Finance

Section 7.04. No Waivers. No failure or delay by the Bank or other Holders in exercising any right, power, or privilege hereunder or under the Bank Note or otherwise shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power, or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 7.05. Expenses. The District shall pay (i) to the Bank all reasonable out-of-pocket expenses of the Bank, including the costs of legal counsel to the Bank, in connection with the preparation of this Agreement as set forth in the Fee Agreement, (ii) the reasonable fees and disbursements of counsel to the Bank with respect to advising the Bank as to the rights and responsibilities under this Agreement and the Related Documents after the occurrence of a Default or an Event of Default, and (iii) all reasonable costs and expenses, if any, in connection with any amendment, modifications or waivers of the provisions hereof or the enforcement of this Agreement and any other documents which may be delivered in connection herewith or therewith, including in each case the reasonable fees and disbursements of counsel to the Bank. In addition, the District shall pay any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution, delivery, filing, and recording of this Agreement and the security described in the Related Documents and agrees, to the extent permitted by law, to hold the Bank harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such taxes and fees. Additionally, the District agrees, to the extent permitted by applicable law, to pay, after the occurrence of an Event of Default, all costs and expenses (including, without limitation, attorneys' fees, costs of settlement and out-of-pocket travel expenses) incurred by the Bank in enforcing any obligations or in collecting any payments due from the District hereunder by reason of such Event of Default or in connection with any refinancing or restructuring of the credit arrangements provided under this Agreement in the nature of a "workout" or of any insolvency or bankruptcy proceedings. The amounts set forth in (i) and (ii) above are payable within 30 days of receipt by the District of an invoice of such fees and expenses (following final execution of this Agreement).

Section 7.06. Amendments or Modification. Any provision of this Agreement or the Bank Note may be amended or modified if, but only if, such amendment or modification is in writing and is signed by the District and the Bank. The District shall promptly notify the Rating Agencies of any amendments or modifications of this Agreement. No amendment or modification shall, unless in writing and signed

by all parties, do any of the following: (a) reduce the principal of, or interest on, Advances or Term Loans, or reduce the Commitment Fees or any other fees or amounts payable to the Bank hereunder, (b) postpone any date fixed for any payment of principal of, or interest on, Advances, or Term Loans, or payment of Commitment Fees or any other fees or amounts payable to the Bank hereunder. No amendment, waiver or consent shall, unless in writing and signed by the Bank, affect the rights or duties of the Bank under this Agreement or any Related Document.

Section 7.07. Severability. Any provision of this Agreement which is prohibited, unenforceable, or not authorized shall be ineffective to the extent of such prohibition, unenforceability, or nonauthorization without invalidating the remaining provisions hereof.

Section 7.08. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

Section 7.09. Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Complete sets of counterparts shall be lodged with the District and the Bank.

Section 7.10. Payments. All payments made or advanced under this Agreement shall be in United States currency only.

Section 7.11. Governing Laws. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS; PROVIDED, HOWEVER, THAT THE OBLIGATIONS OF THE BANK UNDER THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

Section 7.12. Successor and Assigns, Participation. (a) The Bank's rights and obligations under this Agreement may not be assigned by the Bank, other than by operation of law to a successor or merged institution, unless (i) the District has received written notice from all Rating Agencies then rating the Commercial Paper Notes that the ratings of the Commercial Paper Notes, if any, issued by such Rating Agencies will not be lowered, suspended, or withdrawn as a result of such assignment; and (ii) the District has given its consent to such assignment, which consent shall be evidenced by a writing signed by an Authorized Official and shall not be unreasonably withheld. If such conditions have been satisfied and the assignor and assignee have consummated the assignment, then (i) the assignee shall be a Bank for all purposes hereunder; (ii) the assignor shall have no further obligation hereunder with respect to the assigned portion of the Commitment; (iii) the assignor shall deliver its Bank Note to the District; (iv) the District shall pay the assignor all unpaid accrued interest on the Bank Note; and (v) the District shall execute and deliver to the assignee a new Bank Note, payable to the order of the assignee, dated the date of such assignment and in the maximum principal amount of the assignee's portion of the Commitment. The District may not assign its rights or obligations under this Agreement, the Bank Note or the Fee Agreement.

(b) The District agrees that the Bank may enter into participation agreements with participants upon giving written notice to, but without the consent of, the District. Accordingly, the District confirms that all of its representations, warranties, covenants, certifications, and obligations under this Agreement and the Bank Note, as well as all rights under the lien and pledge securing the payment of the Bank Note and granted to

the Bank pursuant to the Order and Section 2.09 of this Agreement, are for the benefit of the participants as well as for the benefit of the Bank. No assignee, participant, or other transferee of the Bank's rights shall be entitled to receive any greater payment under Section 7.01 than the Bank would have been entitled to receive with respect to the rights transferred, unless such transfer is made with the District's prior written consent to that effect. In the event of any such grant by the Bank of a participation to a participant, the Bank shall remain responsible for the performance of its obligations hereunder and the District shall continue to deal solely and directly with the Bank. No such participation shall release or relieve the Bank of its obligations hereunder. The Bank shall make all Advances with its own funds whether or not it has entered into participation agreements.

(c) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, participants to the extent provided in subsection (b) of this Section and, to the extent expressly contemplated hereby, the related parties of the Bank) any legal or equitable right, remedy or claim under or by reason of this Agreement.

Section 7.13. Liability of the Bank. AS BETWEEN THE BANK AND THE DISTRICT, THE DISTRICT ASSUMES, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ALL RISKS OF THE ACTS OR OMISSIONS OF THE ISSUING AND PAYING AGENT AND THE DEALER WITH RESPECT TO THE USE OF ANY MONEY MADE AVAILABLE BY THE BANK IN ACCORDANCE WITH THIS AGREEMENT AND SHALL NOT PRECLUDE THE DISTRICT FROM PURSUING SUCH RIGHTS AND REMEDIES AS IT MAY HAVE AGAINST THE ISSUING AND PAYING AGENT OR THE DEALER UNDER ANY OTHER AGREEMENTS. NEITHER THE BANK NOR ANY OF ITS OFFICERS OR DIRECTORS SHALL BE LIABLE OR RESPONSIBLE FOR (A) THE USE WHICH MAY BE MADE OF ANY MONEY MADE AVAILABLE BY THE BANK IN ACCORDANCE WITH THIS AGREEMENT OR FOR ANY ACTS OR OMISSIONS OF THE ISSUING AND PAYING AGENT, AND THE DEALER IN CONNECTION THEREWITH; (B) THE VALIDITY, SUFFICIENCY, OR GENUINENESS OF ANY DOCUMENTS, DETERMINED IN GOOD FAITH BY THE BANK TO BE VALID, SUFFICIENT OR GENUINE, OR OF ANY ENDORSEMENT(S) THEREON, EVEN IF SUCH DOCUMENTS SHOULD IN FACT PROVE TO BE IN ANY OR ALL RESPECTS INVALID, INSUFFICIENT, FRAUDULENT, OR FORGED; (C) PAYMENT BY THE BANK AGAINST PRESENTATION OF DOCUMENTS DETERMINED IN GOOD FAITH BY THE BANK TO BE VALID, SUFFICIENT OR GENUINE, WHICH DO NOT STRICTLY COMPLY WITH THE TERMS OF THIS AGREEMENT; OR (D) ANY OTHER CIRCUMSTANCES WHATSOEVER IN MAKING OR FAILING TO MAKE PAYMENT UNDER THIS AGREEMENT, EXCEPT ONLY THAT THE DISTRICT SHALL HAVE A CLAIM AGAINST THE BANK, AND THE BANK SHALL BE LIABLE TO THE DISTRICT, TO THE EXTENT, BUT ONLY TO THE EXTENT, OF ANY DIRECT, AS OPPOSED TO CONSEQUENTIAL OR PUNITIVE, DAMAGES SUFFERED BY THE DISTRICT WHICH THE DISTRICT PROVES WERE CAUSED BY THE BANK'S NEGLIGENT OR WILLFUL FAILURE TO PAY UNDER THIS AGREEMENT AFTER THE PRESENTATION TO THE BANK BY AN AUTHORIZED REPRESENTATIVE OF THE ISSUING AND PAYING AGENT OF DOCUMENTS STRICTLY COMPLYING WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT. IN FURTHERANCE, AND NOT IN LIMITATION OF THE FOREGOING, THE BANK MAY ACCEPT DOCUMENTS THAT APPEAR ON THEIR FACE TO BE IN ORDER WITHOUT RESPONSIBILITY FOR FURTHER INVESTIGATION UNLESS THE BANK HAS RECEIVED ACTUAL NOTICE OR INFORMATION TO THE CONTRARY.

Section 7.14. Indemnification. IN ADDITION TO ANY AND ALL RIGHTS OF REIMBURSEMENT, INDEMNIFICATION, SUBROGATION, OR ANY OTHER RIGHTS PURSUANT HERETO OR UNDER LAW OR EQUITY,

THE DISTRICT HEREBY AGREES, TO THE EXTENT PERMITTED BY LAW, TO INDEMNIFY AND HOLD HARMLESS THE BANK AND ITS OFFICERS, DIRECTORS, AND AGENTS (THE "*INDEMNIFIED PARTIES*") FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, LOSSES, LIABILITIES, REASONABLE COSTS, OR REASONABLE EXPENSES WHATSOEVER (INCLUDING REASONABLE ATTORNEYS' FEES OF COUNSEL FOR THE INDEMNIFIED PARTIES THAT IS NOT AN EMPLOYEE OF AN INDEMNIFIED PARTY OR AN AFFILIATE) WHICH THEY MAY INCUR (OR WHICH MAY BE CLAIMED AGAINST THEM BY ANY PERSON OR ENTITY WHATSOEVER) AS A RESULT OF (A) ANY UNTRUE STATEMENT OR ALLEGED UNTRUE STATEMENT OF ANY MATERIAL FACT CONTAINED OR INCORPORATED BY REFERENCE IN THE INFORMATION SUPPLIED BY THE DISTRICT TO THE BANK OR TO THE DEALER IN CONNECTION WITH THE PERFORMANCE OF THEIR DUTIES UNDER THIS AGREEMENT OR THE RELATED DOCUMENTS, INCLUDING ANY DISCLOSURE DOCUMENT, OR THE OMISSION OR ALLEGED OMISSION TO STATE IN SUCH INFORMATION A MATERIAL FACT NECESSARY TO MAKE SUCH STATEMENTS, IN THE LIGHT OF CIRCUMSTANCES UNDER WHICH THEY ARE OR WERE MADE, NOT MISLEADING; OR (B) THE EXECUTION AND DELIVERY AND PERFORMANCE OF THIS AGREEMENT AND THE BANK NOTE AND THE TRANSACTIONS DESCRIBED HEREIN OR THEREIN OR PAYMENT OR FAILURE TO ADVANCE HEREUNDER; *PROVIDED*, *HOWEVER*, THAT THE DISTRICT SHALL NOT BE REQUIRED TO INDEMNIFY ANY INDEMNIFIED PARTY FOR ANY CLAIMS, DAMAGES, LOSSES, LIABILITIES, COSTS, OR EXPENSES TO THE EXTENT, BUT ONLY TO THE EXTENT, CAUSED BY THE INDEMNIFIED PARTY'S NEGLIGENCE OR WILLFUL MISCONDUCT. NOTHING UNDER THIS SECTION IS INTENDED TO LIMIT THE DISTRICT'S PAYMENT OBLIGATIONS CONTAINED ELSEWHERE IN THIS AGREEMENT. THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

Section 7.15. Emailed Documents. At the request of the District, this Agreement provides that demands for payment hereunder may be presented to the Bank by, among other methods, email. The District acknowledges and assumes all risks relating to the use of such emailed demands for payment (i) which are emailed by the District or Issuing and Paying Agent by an authorized representative of such party.

Section 7.16. Term of the Agreement. The term of this Agreement shall be until the payment in full of all principal of and interest on the Bank Note, the Commitment Fees, and all other amounts payable under this Agreement; *provided*, *however*, that notwithstanding any termination of this Agreement, the provisions of Sections 7.01, 7.04, 7.12 and 7.13 shall survive payment of the Bank Note and shall remain in full force and effect.

Section 7.17. Entire Agreement. THIS AGREEMENT AND THE RELATED DOCUMENTS CONSTITUTE THE ENTIRE AGREEMENT BETWEEN THE PARTIES HERETO WITH RESPECT TO THE TRANSACTIONS CONTEMPLATED HEREBY AND SUPERSEDE AND ARE IN FULL SUBSTITUTION FOR ANY AND ALL PRIOR AGREEMENTS AND UNDERSTANDINGS BETWEEN SAID PARTIES RELATING TO SUCH TRANSACTIONS.

THIS AGREEMENT AND THE RELATED DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN AGREEMENTS BETWEEN THE PARTIES.

Section 7.18. Waiver of Jury Trial. This Section concerns the resolution of any controversies or claims between the parties, whether arising in contract, tort, or by statute, including but not limited to, controversies or claims that arise out of or relate to: (i) this Agreement (including any renewals, extensions, or modifications); or (ii) any Related Document (collectively, a "*Claim*"). For the purposes of this provision only, the term "parties" shall include any parent corporation, subsidiary, or affiliate of

the bank involved in the servicing management, or administration of any obligation described or evidenced by this Agreement and the Related Documents. TO THE EXTENT PERMITTED BY LAW, THE PARTIES IRREVOCABLY AND VOLUNTARILY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY CLAIM. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THIS AGREEMENT.

Section 7.19.Patriot Act. The Lender is subject to the Patriot Act (as hereinafter defined) and hereby notifies the District that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Bank is required to obtain, verify, and record information that identifies the District which information includes the name and address of the District and other information that will allow the Bank to identify the District in accordance with the Patriot Act.

Section 7.20.Right of Setoff. If an Event of Default shall have occurred and be continuing, the Bank and its Affiliates are hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by the Bank or any such affiliate to or for the credit or the account of the District or any other party against any and all of the obligations of the District or such party now or hereafter existing under this Agreement or any other Related Document to the Bank, irrespective of whether or not the Bank shall have made any demand under this Agreement or any other Related Document and although such obligations of the District or such party may be contingent or unmatured or are owed to a branch or office of the Bank different from the branch or office holding such deposit or obligated on such indebtedness. The rights of the Bank and its affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that the Bank or its affiliates may have. The Bank agrees to notify the District promptly after any such setoff and application, *provided* that the failure to give such notice shall not affect the validity of such setoff and application. The Bank's right of set off under this Section 7.20 shall not apply to the District's CIGNA Flexible Spending Account and CIGNA Health Plan Account.

Section 7.21.Payments Set Aside. To the extent that any payment by or on behalf of the District is made to the Bank, or the Bank exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Bank in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred.

Section 7.22.Assignment to Federal Reserve Bank. The Bank may assign and pledge all or any portion of the obligations owing to it hereunder, under the Bank Note or under the Fee Agreement to any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any Operating Circular issued by such Federal Reserve Bank, *provided* that any payment in respect of such assigned obligations made by the District to the Bank in accordance with the terms of this Agreement shall satisfy the District's obligations hereunder in respect of such assigned obligation to the extent of such payment. No such assignment shall release the Bank from its obligations hereunder.

Section 7.23. No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Related Document), the District acknowledges and agrees that: (i) (A) the arranging and other services regarding this Agreement provided by the Bank are arm's length commercial transactions between the District, on the one hand, and the Bank on the other hand, (B) the District has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the District is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Related Documents; (ii) (A) the Bank has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor (including as a municipal advisor), agent or fiduciary for the District, or any other Person and (B) the Bank does not have any obligation to the District with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Related Documents; and (iii) the Bank and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the District, and the Bank does not have any obligation to disclose any of such interests to the District. To the fullest extent permitted by laws of the State of Texas, the District hereby waives and releases any claims that it may have against the Bank with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

Section 7.24. Counterparts/Electronic Signature.

This Agreement may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or "printouts," if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, "electronic signature" means a manually signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a "pdf" (portable document format) or other replicating image attached to an e mail message; and "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

Section 7.25. Dealing with the District, the Issuing and Paying Agent, and/or the Dealers. The Bank and its Affiliates may accept deposits from, extend credit to and generally engage in any kind of banking, trust or other business with the District, the Issuing and Paying Agent, and/or the Dealer regardless of the capacity of the Bank hereunder.

Section 7.26. Acknowledgement Regarding Any Supported QFCs.

To the extent that this Agreement provides support, through a guarantee or otherwise, for Swap Agreements or any other agreement or instrument that is a QFC (such support "QFC Credit Support" and each such QFC a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Related Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Related Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Related Documents were governed by the laws of the United States or a state of the United States.

Section 7.27. Bank Representations Regarding Form 1295. The Bank hereby certifies that as a publicly traded business entity or a wholly owned subsidiary of such an entity it is exempt under Section 2252.908(c)(4) of the Texas Government Code.

Section 7.28. Texas Government Code Section 2271.002 (No Boycott of Israel) Verifications.

The Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent the Note Purchase Agreement is a contract for goods or services, will not boycott Israel during the term of the Note Purchase Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. As used in this Section the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

Section 7.29. Texas Government Code Section 2252.152 (Sanctioned Company) Verifications.

The Bank hereby represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended, and posted on any of the following pages of such officer's internet website:

https://comptroller.texas.gov/purchasing/publications/divestment.php.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. As used in this Section the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

Section 7.30.Section 2274.002 Texas Government Code (No Discrimination Against Fossil-Fuel Companies) Verifications.

To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to enable the District to comply with such Section and to the extent such Section does not contravene applicable federal law or the Texas Constitution. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above. As used in this Section, the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit."

Section 7.31.Section 2274.002 Texas Government Code (No Discrimination Against Firearm Entities and Firearm Trade Associations) Verifications.

To the extent the Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session ("SB 19")), Texas Government Code, as amended, the Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates,

if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. The foregoing verification is made solely to enable the District to comply with such Section and to the extent such Section does not contravene applicable federal law or the Texas Constitution. As used in this Section, the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

As used in the foregoing verification and the following definitions,

a. 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by SB 19), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association,

b. 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by SB 19), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by SB 19, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by SB 19, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by SB 19, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

c. 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by SB 19), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal

income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

As used in this Section, the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

Section 7.32. Attorney General Standing Letter.

In addition to the verifications provided above, the Bank verifies that a standing letter has been filed with the Office of the Texas Attorney General with respect to the verifications, representations and covenants in Sections 7.28 through 7.31 made by the Bank, as required by the procedural rules of the Texas Attorney General, and such letter remains in effect as of the Effective Date of this Agreement.

Section 7.33. Bank Consents.

The Bank hereby consents to the adoption of the Order. The Bank further consents to the references made to the Bank in the Offering Memorandum, a form of which is attached to the Order.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

JPMorgan Chase Bank, National Association

By _____
Name: Justin D. Wahn
Title: Executive Director

EXHIBIT A

FORM OF BANK NOTE

Fort Bend Independent School District Commercial Paper Notes, Series A
Amended and Restated Revolving Credit Agreement

$161,095,891 _____, 2023

For value received, the FORT BEND INDEPENDENT SCHOOL DISTRICT (the "*District*"), an independent school district within, and a political subdivision of, the State of Texas, promises to pay, solely from the funds hereafter referred to, to the order of JPMorgan Chase Bank, National Association (the "*Bank*"), at the address provided in the Agreement (hereinafter defined), the aggregate unpaid principal amount of all Loans hereunder and under the Agreement, not to exceed ONE HUNDRED SIXTY ONE MILLION NINETY FIVE THOUSAND EIGHT HUNDRED NINETY ONE DOLLARS ($161,095,891) in principal amount at any one time outstanding, made by the Bank to the District hereunder, in lawful money of the United States of America, in federal or other immediately available funds, and to pay interest at the rates set forth in the Agreement on the actual unpaid principal amount hereof for each day outstanding from the date hereof until this Bank Note is paid in full, in like money and funds at such office. Interest shall be payable on the dates and manner set forth in the Agreement. Principal on this Bank Note shall be payable on the dates and manner set forth in the Agreement.

This Bank Note is subject to prepayment, and amounts prepaid prior to the last day of the Revolving Credit Period may be reborrowed, all pursuant to the terms and under the conditions of the Amended and Restated Revolving Credit Agreement, dated as of July 24, 2023 (but effective as of _____, 2023), between the District and the Bank (the "*Agreement*"), the terms of which are hereby incorporated by reference in this Bank Note). All terms used herein and not defined shall have the same meaning as in the Agreement. Reference is made to the Agreement for provisions as to the prepayment hereof and for reborrowing. Reference is also made to the Agreement for provisions providing for additional interest and other amounts to be payable under certain circumstances. If the Holder enforces this Bank Note upon Default or the occurrence of an Event of Default, the District shall reimburse the Holder for reasonable costs and expenses incurred by the Holder in collection, including attorneys fees and expenses as set out in Section 7.05 of the Agreement. This Bank Note shall be construed under and governed by laws of the State of Texas but Chapter 346, Texas, Finance Code, as amended, shall not apply.

This Bank Note, including the interest hereon, is payable solely from and secured by a lien on and a pledge of the Collateral and certain other available funds and proceeds of the District, all as set forth in Section 2.09 of the Agreement and Section 2.11 of the Order (as defined in the Agreement). This Bank Note constitutes a general obligation of the District. Further reference is made to the Agreement and the Order for the provisions relating to the security of this Bank Note and the duties and obligations of the District.

Made and executed as of the date and year first above written.

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

EXHIBIT B

NOTICE OF LOAN

TO: JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (the "*Bank*") under the Amended and Restated Revolving Credit Agreement, dated as of July 24, 2023 (but effective as of _____, 2023) between the Bank and the Fort Bend Independent School District (the "*District*") (the "*Agreement*")

The District, acting herein by the undersigned Issuing and Paying Agent, pursuant to Section 2.02 and related provisions of the Agreement, issues this Notice of Loan to be made under the Agreement as follows:

1. Business Day on which Loan is to be made ("*Loan Date*"): _____;

2. Aggregate Principal Amount of Loan: _____;

(Amount as to Principal Component _____)

(Amount as to Interest Component _____)

The Loan shall be available for the account of Holders of the Commercial Paper Notes at the Issuing and Paying Agent.

In connection with this Notice of Loan, the District certifies to the Bank that as of the date of this Notice of Loan no Special Event of Default or Suspension Event has occurred and is continuing. Capitalized terms herein are used with the meaning given in the Agreement.

Date of this Notice of Loan: _____

[ISSUING AND PAYING AGENT]

By _____
Issuing and Paying Agent

EXHIBIT C

NO-ISSUANCE NOTICE

_____, 20__

[ISSUING AND PAYING AGENT]
_____
_____
_____

Ladies and Gentlemen:

JPMorgan Chase Bank, National Association (the "*Bank*") and the Fort Bend Independent School District (the "*District*"), have entered into that certain Amended and Restated Revolving Credit Agreement dated as of July 24, 2023 (but effective as of _____, 2023) (the "*Agreement*"). Any term defined in the Agreement and used in this letter shall have the meanings ascribed to it in the Agreement.

[There exists a Default or an Event of Default] and this letter constitutes your notice thereof pursuant to Section 2.14 of the Agreement. [Describe Default or Event of Default] Effective as of your receipt of this notice, and until you receive written notice from the Bank that tins notice has been rescinded, you are instructed not to authenticate or deliver any Commercial Paper Notes.

Very truly yours,

[_____]

By _____
Name: _____
Title: _____

cc: Fort Bend Independent School District
ATTN: Chief Financial Officer

EXHIBIT D

CLOSING REPRESENTATIONS AS REQUIRED BY SECTION 3.01(d) OF THE REVOLVING CREDIT AGREEMENT

I, the undersigned Authorized Official, acting on behalf of the Fort Bend Independent School District (the "*District*"), pursuant to the Amended and Restated Revolving Credit Agreement, dated as of July 24, 2023, (but effective as of _____, 2023), by and between the District and JPMorgan Chase Bank, National Association (the "*Agreement*"), defined terms of which are herein incorporated by reference, do hereby certify as follows:

1. (a) Each of the representations and warranties of the District contained in the Agreement is true and correct in all material respects on and as of the date hereof as though made on and as of this date, and (b) as of the date hereof no Default or Event of Default has occurred or is continuing;

2. Except as heretofore disclosed by the District or as disclosed in the Memorandum (hereafter defined), no litigation is pending in any court or, to my knowledge, pending or threatened in any court to restrain or enjoin the issuance or delivery of the Fort Bend Independent School District Unlimited Tax Commercial Paper Notes, Series A and the Bank Note issued in connection therewith (collectively, the "*Commercial Paper Notes*") or the collection of the revenues and assets of the District pledged or to be pledged to pay the principal of and interest on the Commercial Paper Notes or the pledge thereof, or in any way contesting or affecting the validity of the Commercial Paper Notes, the Order authorizing the Commercial Paper Notes (the "*Order*"), or the Agreement, or contesting the powers of the District or contesting the authorization of the Commercial Paper Notes or the Order or contesting in any way the accuracy, completeness, or fairness of the Offering Memorandum prepared in connection with the issuance of the Commercial Paper Notes (the "*Memorandum*");

3. To the best of my knowledge, the statements and representations in the Memorandum are true and accurate, and insofar as the District and its affairs, including its financial affairs, are concerned, the Memorandum does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

4. There has not been any material and adverse change in the affairs or financial condition or operations of the District from that described in the Memorandum;

5. All conditions to the Effective Date in the Agreement have been met.

WITNESS MY HAND this ____ Day of _____, 20___.

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

EXHIBIT E

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

[TO COME]

EXHIBIT F

FORM OF FINAL DATE EXTENSION REQUEST

[Date]

JPMorgan Chase Bank, National Association
_____

_____
Attention: _____
Telecopy: _____

Re: Fort Bend Independent School District
Commercial Paper Notes, Series A
Final Date Extension Request

Ladies and Gentlemen:

Pursuant to Section 2.10 of that certain Amended and Restated Revolving Credit Agreement, dated as of July 24, 2023 (but effective as of _____, 2023), between the Fort Bend Independent School District (the "*District*") and the Bank, the District requests that the Final Date (as defined in the Revolving Credit Agreement) be extended to _____.

Very truly yours,

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

EXHIBIT G

FORM OF NO DEFAULT CERTIFICATE

_____, 20___

JPMorgan Chase Bank National Association
_____

_____

Attention: _____
Telecopy: _____

Dear Sir or Madam:

In accordance with Section 5.01(b) of the Amended and Restated Revolving Credit Agreement between the Fort Bend Independent School District and JPMorgan Chase Bank, National Association, dated as of July 24, 2023 (but effective as of _____, 2023), we have enclosed the No Default Certificate for the fiscal year ended June 30, 20__.

Very truly yours,

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

NO DEFAULT CERTIFICATE

AS REQUIRED BY SECTION 5.01(b) OF THE REVOLVING CREDIT AGREEMENT

Fort Bend Independent School District and JPMorgan Chase Bank, N.A., executed and delivered that Amended and Restated Revolving Credit Agreement (the "*Agreement*") dated as of July 24, 2023 (but effective as _____, 2023). Any term defined in the Agreement and used in this Certificate shall have the meaning ascribed to it in the Agreement.

I hereby certify that:

1. I am an Authorized Official.

2. The Board of Trustees for the Fort Bend Independent School District has kept, observed, performed and fulfilled, in all material respects, each and every of their obligations under the Agreement for the fiscal year ending June 30, 20__, and there exists no Default or Event of Default.

IN WITNESS WHEREOF, I have hereunto set my hand on the date set forth below.

Date: _____

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

AMENDED AND RESTATED NOTE PURCHASE AGREEMENT

dated as of July 24, 2023
(but effective as of August 17, 2023)

between/

FORT BEND INDEPENDENT SCHOOL DISTRICT

and

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION

RELATING TO,.

FORT BEND INDEPENDENT SCHOOL DISTRICT
UNLIMITED TAX COMMERCIAL PAPER NOTES, SERIES B

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Exhibit D — Form of Expiration Date Extension Request
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AMENDED AND RESTATED NOTE PURCHASE AGREEMENT

This Amended and Restated Note Purchase Agreement (as amended, supplemented or otherwise modified from time to time, this "*Agreement*") is dated as of July 24, 2023 (but is effective as of August 17, 2023 the *"Effective Date"*) and is between the FORT BEND INDEPENDENT SCHOOL DISTRICT (the "*District*") and JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (*"Bank"*).

RECITALS:

Pursuant to authority granted by the laws of the State of Texas, particularly the Act (as defined below), the District is empowered to issue obligations for the purpose of providing funds to pay Project Costs (as defined in the Act) of Eligible Projects (as defined in the Act);

Pursuant to the Act and the Order (as defined below) the District proposes to issue from time to time its notes under its Commercial Paper Program, in one or more series and in an aggregate amount at any one time outstanding not to exceed $150,000,000, the proceeds of which will be used to finance and refinance Eligible Projects under the Act;

The District and the Bank have previously entered into a Note Purchase Agreement dated as of October 17, 2016 (but is effective as of November 3, 2016), as amended by the First Amendment to Note Purchase Agreement, dated as of the January 22, 2019 (but effective as of February 20, 2019), the Second Amendment to Note Purchase Agreement, dated as of February 4, 2021, and the Third Amendment to the Note Purchase Agreement dated as of October 16, 2022 (collectively, the "Prior Credit Agreement");

The District and the Bank now wish to amend and restate the Prior Credit Agreement to consolidate the amendments made part of the Prior Credit Agreement and to recognize the additional voted authority from the District's election held on May 6, 2023.

The District has requested the Bank to support the District's notes issued from time to time under its Commercial Paper Program, in response to which the Bank has agreed (i) to directly purchase when and as issued Commercial Paper Notes issued as "Series B" (the "*Series B Commercial Paper Notes*" or the *"Notes"*) pursuant to the terms of this Agreement entered into by the parties hereto and (ii) by making available a revolving line of credit (the *"Series A Commercial Paper Revolving Credit Agreement"*) initially aggregating $161,095,891 (of an amount supporting the Commercial Paper Notes issued as "Series A" (the *"Series A Commercial Paper Notes*") in a principal amount up to of $150,000,000 and interest thereon at an interest rate of 10% per annum for a period of 270 days) entered into by the parties thereto concurrently herewith; provided, however, that the combined support for both Series A Notes and Series B Notes shall not exceed $150,000,000 in principal amount of such Commercial Paper Notes, plus applicable support for interest thereon as described herein and in the aforementioned Series A Commercial Paper Revolving Credit Agreement;

The Bank is willing to purchase Series B Commercial Notes subject to the terms and conditions of this Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. In addition to other terms defined herein, unless the context shall indicate a contrary meaning or intent, the terms defined below, for all purposes of this Agreement or any agreement amendatory or supplemental hereto, shall be construed, are used and are intended to have the following meanings, to-wit:

"*Act*" shall mean collectively, Chapter 45, Texas Education Code, as amended, and Chapters 1207 and 1371, Texas Government Code, as amended.

"Adjusted Base Rate" means, for any day, a rate per annum equal to the highest of (a) the Federal Funds Rate plus 2.00% or (b) the Prime Rate plus 1.50%.

"Adjusted Term SOFR Rate" means, with respect to any Note for any Interest Period, an interest rate per annum equal to the sum of (i) the product of (A) the Applicable Factor multiplied by (B) the sum of (1) the Term SOFR Rate for such Interest Period, plus (2) 10 basis points, plus (ii) the Applicable Spread; provided, however, if the Adjusted Term SOFR Rate as so determined would be less than 0.00%, such rate shall be deemed to be 0.00% for the purposes of this Agreement.

"Affiliate" means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"*Agreement*" has the meaning set forth in the introductory paragraph hereof.

"Alternate Rate" has the meaning set forth in Section 2.19(c).

"Anti-Corruption Laws" means all laws, rules and regulations of any jurisdiction applicable to the District from time to time concerning or relating to bribery or corruption.

"Amortization Amount" shall have the meaning assigned to such term in Section 2.04.

"Amortization End Date" means the third anniversary of the Expiration Date or the Taxable Date, as applicable.

"Amortization Period" means the period from the Expiration Date or the Taxable Date, as applicable, to the Amortization End Date.

"Applicable Factor" means 80%.

"*Applicable Law*" shall mean all applicable provisions of all constitutions, statutes, rules, regulations, and orders of all governmental and non-governmental bodies, including, without limitation, the Act, all governmental approvals and all orders, judgments and decrees of all courts

and arbitrators of competent jurisdiction. Whenever the Applicable Law of a particular jurisdiction is referred to in this Agreement, such reference shall be deemed to include the Applicable Law of all political subdivisions of such jurisdiction.

"Applicable Spread" means initially 74 basis points (the "Initial Applicable Spread"), provided however, the Applicable Spread shall be increased by the number of basis points set forth in the chart below based on the Ratings as determined below:

Level	S&P Rating*	Fitch Rating*	Increase to Initial Applicable Margin/ Basis Points Per Annum
Level 1	AA or above	AA or above	+ 00 bps
Level 2	AA-	AA-	+ 20 bps
Level 3	A+	A+	+ 40 bps
Level 4	A	A	+ 60 bps
Level 5	A-	A-	+ 80 bps
Level 6	BBB+	BBB+	+ 100 bps
Level 7	BBB	BBB	+ 120 bps
Level 8	BBB-	BBB-	+ 140 bps

The Applicable Spread for any date shall be determined by reference to the Ratings in Schedule I above for such date. If the Ratings assigned by the Rating Agencies appear in more than one row (i.e., a split rating), the Applicable Spread will be based on the lowest of the two (2) ratings. If any Rating is withdrawn or suspended for credit related reasons, or due to the failure of the District to provide adequate information to the Rating Agencies, then the Applicable Spread shall automatically, without notice, increase by 100 basis points per annum over the Applicable Spread then in effect until such Rating is restored. In addition to the foregoing, upon the occurrence of any Event of Default, and for so long as said Event of Default has not been cured or waived by the Bank, the Applicable Spread shall automatically (without notice) increase by 100 basis points over the Applicable Spread then in effect until such Event of Default has been cured. Each change in the Applicable Spread resulting from a change in the Rating shall become effective on the date of the announcement or publication by the respective Rating Agency of a change in such rating or, in the absence of such announcement or publication, on the effective date of such changed Rating.

For purposes of this definition of Applicable Spread, "Ratings" shall mean the long-term credit rating assigned to the District's general obligation bonds (without regard to any bond insurance, the Permanent School Fund or other credit enhancement) by each of the Rating Agencies.

References to the Ratings above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, each of the Ratings from the Rating Agency in question referred to above

shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect.

"*Authorized Official*" shall have the meaning assigned to such term in the Order.

"*Available Commitment*" shall mean, and in no event shall it exceed $150,000,000, such initial amount adjusted from time to time as follows: (a) downward in an amount equal to the principal amount of Series B Commercial Paper Notes purchased and held by the Bank pursuant to the terms hereof and the principal amount of any Loan made to the District pursuant to the Series A Commercial Paper Revolving Credit Agreement; (b) downward by the amount of any reduction pursuant to Section 2.10 or 6.02 hereof; and (c) so long as this Agreement has not terminated, upward in an amount equal to the principal amount of any Series B Commercial Paper Notes repaid hereunder and the principal amount of any Loan that is repaid pursuant to the terms of the Series A Commercial Paper Revolving Credit Agreement; *provided*, that, after giving effect to any such adjustment the Available Commitment shall never exceed $150,000,000. Any adjustments pursuant to clause (a), (b) or (c) above shall occur simultaneously with the event requiring such adjustment.

"Available Tenor" means, as of any date of determination and with respect to the then current Benchmark, as applicable, any tenor for such Benchmark (or component thereof) or payment period for interest calculated with reference to such Benchmark (or component thereof), as applicable, that is or may be used for determining the length of an Interest Period for any term rate or otherwise, for determining any frequency of making payments of interest calculated pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of *"Interest Period"* pursuant to clause (c) of Section 2.19.

"*Bank*" has the meaning set forth in the introductory paragraph hereof.

"*Banking Arrangements*" means (a) the agreements of the Bank and the District set forth in this Agreement and the transactions described herein, including, without limitation, (i) any commitment to extend credit, to issue any credit or liquidity facility, to purchase any obligation of or for the benefit of the District, or to extend any other financial accommodation, (ii) any issuance, extension or maintenance of any of the foregoing, and (iii) any pledge, purchase or carrying of any obligation of or for the benefit of the District, and (b) any participation agreement or similar arrangement entered into in connection with the foregoing.

"Base Rate" means, for any day, a rate per annum equal to the highest of (a) the Federal Funds Rate plus 2.00%, (b) the Prime Rate plus 1.50% and (c) seven and one half percent (7.50%).

"Benchmark" means, initially, the Term SOFR Rate; provided that if a Benchmark Transition Event has occurred with respect to the Term SOFR Rate, then "Benchmark" means the Alternate Rate to the extent that such Alternate Rate has replaced such prior benchmark rate pursuant to clause (b) of Section 2.19.

"Benchmark Transition Event" means, with respect to any Benchmark, the occurrence of one or more of the following events with respect to the Term SOFR Rate:

(1) a public statement or publication of information by or on behalf of the CME Term SOFR Administrator (or any successor administrator of the Term SOFR Rate, or the published component used in the calculation thereof) announcing that such CME Term SOFR Administrator has ceased or will cease to provide the Term SOFR Rate (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Term SOFR Rate (or such component thereof);

(2) a public statement or publication of information by the Federal Reserve Board, the NYFRB, or, as applicable, the regulatory supervisor for the CME Term SOFR Administrator, an insolvency official with jurisdiction over the CME Term SOFR Administrator, a resolution authority with jurisdiction over the CME Term SOFR Administrator, or a court or an entity with similar insolvency or resolution authority over the CME Term SOFR Administrator, in each case, which states that CME Term SOFR Administrator (or any successor administrator of the Term SOFR Rate, or the published component used in the calculation thereof) has ceased or will cease to provide the Term SOFR Rate (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Term SOFR Rate (or such component thereof); or

(3) a public statement or publication of information by the Federal Reserve Board, the NYFRB, the CME Term SOFR Administrator, or the regulatory supervisor for the administrator for the CME Term SOFR Administrator (or any successor administrator of the Term SOFR Rate, or the published component used in the calculation thereof) announcing that the Term SOFR Rate (or such component thereof) is no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to the Term SOFR Rate if a public statement or publication of information set forth above has occurred with respect to each then-current available tenor of the Term SOFR Rate.

"*Board*" shall mean the Board of Trustees of the District.

"*Bond Counsel*" shall mean and any firm or firms selected by the District whose opinion concerning bond matters is nationally recognized.

"Breakage Expenses" shall have the meaning assigned to such term in Section 2.12.

"*Business Day*" shall mean any day other than (i) a Saturday, Sunday or other day on which commercial banks located in the states of New York, Texas and such other location in which the Bank is authorized or required by law or executive order to close or (ii) a day on which the New York Stock Exchange is closed.

"Calculation Agent" means JPMorgan Chase Bank, National Association, and if JPMorgan Chase Bank, National Association shall decline to act as Calculation Agent, such other Affiliate of the Bank designated by the Bank and, if no such Affiliate is designated, any other Person appointed by the District, with the consent of the Bank in its sole discretion, to serve as calculation agent for the Notes.

"Change in Law" means the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, statute, policy, interpretation, treaty, regulation, guideline or directive, (b) any change in any law, rule, statutes, policy, interpretation, treaty, regulation, guideline or directive or in the administration, promulgation, implementation, enforcement, interpretation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline, policy, interpretation, treaty, regulation, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding the foregoing, any request, law, statute, rule, policy, interpretation, treaty, regulation, guideline or directive in connection with any Risk-Based Capital Guidelines, the Dodd-Frank Wall Street Reform and Consumer Protection Act, promulgated by the Bank of International Settlements, or the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) or arising in the administration, promulgation, implementation, enforcement, interpretation or application thereof, shall be deemed to be a Change of Law regardless of the date enacted, adopted, issued, promulgated or implemented.

"CME Term SOFR Administrator" means CME Group Benchmark Administration Limited as administrator of the forward-looking term Secured Overnight Financing Rate (SOFR) (or a successor administrator).

"*Code*" shall mean the Internal Revenue Code of 1986, as amended, and when reference is made to a particular section thereof, the applicable Treasury Regulations from time to time promulgated or proposed thereunder.

"*Collateral*" shall mean the collateral described in Section 2.14 hereof.

"*Commercial Paper Notes*" has the meaning set forth in the Recitals hereof.

"*Commitment*" shall mean $150,000,000 of Series B Commercial Paper Notes.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"*Controlled Group*" means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with the District or any subsidiary, are treated as a single employer under Section 414 of the Code.

"Corresponding Tenor" with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

"*Debtor Relief Laws*" means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"*Default*" shall mean any condition or event that constitutes an Event of Default (as defined in Section 6.01 hereof) or that with the giving of notice or lapse of time or both would, unless cured or waived, become an Event of Default.

"Default Rate" means a per annum rate of interest equal to the sum of the Base Rate from time to time in effect plus 3.0% per annum; provided, that for any Note accruing interest at the Adjusted Term SOFR Rate at the time of the applicable Event of Default, the "Default Rate" shall mean the sum of 3.0% plus Adjusted Term SOFR Rate then in effect until the end of the Term SOFR Rate interest period applicable thereto and, thereafter, at a rate per annum equal to the sum of 3.0% plus the Base Rate from time to time in effect; provided further, however, that, subject to Section 2.6, in no event shall the Default Rate exceed the Highest Lawful Rate. For avoidance of doubt, if an Event of Default occurs while any Note is bearing interest at the Term Rate, the Default Rate for such Note shall be the Term Rate in effect at such time plus 3.0%.

"Determination of Taxability" means (a) any final, unappealable determination, decision, decree or advisement by the Commissioner of Internal Revenue, or any District Director of Internal Revenue or any court of competent jurisdiction to the effect that Notes Interest is Taxable, or (b) the delivery to the Bank or any Holder of an unqualified written opinion of nationally recognized bond counsel to the effect that Note Interest is Taxable. A Determination of Taxability also shall be deemed to have occurred on the first to occur of the following:

(i) the date when the District files any statement, supplemental statement, or other tax schedule, return or document, which discloses that Note Interest is Taxable;

(ii) the effective date of any federal legislation enacted or federal rule or regulation promulgated after the date of the Order which has the effect that Note Interest is Taxable confirmed by the delivery to the Bank or any Holder of an unqualified written opinion of nationally recognized bond counsel; or

(iii) if upon sale, lease or other deliberate action within the meaning of Treas. Reg. § 1.141 2(d), the failure to receive an unqualified opinion of a nationally recognized bond counsel to the effect that such action will not cause interest on the Notes to become includable in the gross income of the recipient.

"*District*" has the meaning set forth in the introductory paragraph hereof.

"Dollars," "dollars" or "$" refers to lawful money of the United States of America

"*Effective Date*" shall mean August 17, 2023, subject to the satisfaction or waiver by the Bank of the conditions precedent set forth in Section 3.01 hereof.

"*Eligible Projects*" shall mean the improvements the District is authorized to make as set forth in the Order.

"*Environmental Law*" means any and all statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment or the release of any materials into the environment.

"*ERISA*" means the Employee Retirement Income Security Act of 1974, as amended.

"*Event of Default*" shall mean any of the Events of Default described in Section 6.01 hereof.

"*Excess Interest Amount*" has the meaning set forth in Section 2.06 hereof.

"Expiration Date" means November 1, 2025.

"Federal Funds Rate means, for any day, the rate calculated by the NYFRB based on such day's federal funds transactions by depositary institutions, as determined in such manner as shall be set forth on the NYFRB's Website from time to time, and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate; provided that if the Federal Funds Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System of the United States of America.

"*Fee Agreement*" means that certain Amended and Restated Fee Agreement dated as of July 24, 2023, but effective as of the Effective Date, between the District and the Bank, as the same may be amended, supplemented or otherwise modified from time to time by written instrument executed by the District and the Bank. The Fee Agreement is the Fee Letter referenced in the Order.

"*Fiscal Year*" has the meaning set forth in the Order.

"Fitch" means Fitch, Inc., or any successor thereto.

"Floor" means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the Adjusted Term SOFR Rate. For the avoidance of doubt the initial Floor for the Adjusted Term SOFR Rate shall be 0.00%.

"*Governmental Authority*" shall mean the United States or any state or political subdivision thereof or any foreign nation or political subdivision thereof, any entity, body or authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government in the United States (or any state, municipality or political subdivision thereof) or any foreign nation or political subdivision thereof, including, without limitation, any central bank or other governmental or regulatory authority exercising control over the Bank or other financial institutions, and any corporation or other entity or authority owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing.

"*Guarantees*" means, for any Person, all guarantees, endorsements (other than for collection or deposit in the ordinary course of business) and other contingent obligations of such Person to purchase, to provide funds for payment, to supply funds to invest in any other Person or otherwise to assure a creditor of another Person against loss.

"*Highest Lawful Rate*" shall mean the maximum net effective interest rate permitted by law to be paid on obligations issued or incurred by the District in the exercise of its borrowing powers (as currently prescribed by Chapter 1204, Texas Government Code, as amended).

"*Holder*" shall mean the Bank and any other holder of the Notes or the Loan Note or any entity to which the Bank or any such other holder sells a participation in the Notes or the Loan Note (whether or not the District was given notice of such sale and whether or not the Holder has an interest in the Notes or the Loan Note at the time amounts are payable to such Holder thereunder and under this Agreement).

"*Indebtedness*" of any Person means at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business (including, without limitation, accounts payable to construction contractors and other professionals for services rendered), (iv) all obligations of such Person as lessee under capital leases, (v) all debt of others secured by a Lien on any asset of such Person, whether or not such debt is assumed by such Person, (vi) all obligations of such Person under any Swap Contract, and (vii) all Guarantees of debt of a type described in any of clauses (i) through (vi) hereof.

"Initial Interest Rate Period" means the period from and including the Effective Date to but excluding the Expiration Date.

"Interest Payment Date" shall mean the first Business Day of each month.

"Interest Period" means with respect to any Note, the period commencing on the date of purchase of such Note and ending on the numerically corresponding day in the calendar month that is one, three, or six months thereafter (in each case, subject to the availability for the Benchmark applicable to the Note or Commitment), as requested by the District in a Request for Purchase; provided, that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period, and (iii) no tenor that has been removed from this definition pursuant to Section 2.19(c) shall be available for specification in such Request for Purchase.

"*Issuing and Paying Agent*" or "*Paying Agent*" shall mean the Bank, acting in such capacity for the Notes under the Order.

"Loan Note" shall mean the promissory note evidencing the Term Loan made by the Bank to the District, in substantially the form of Exhibit F hereto.

"*Material Adverse Effect*" means, as to the District, any material adverse change in or effect on (i) the business, operations, assets, liabilities, condition (financial or otherwise) or results of

operations of the District, (ii) the ability of the District to consummate the transactions contemplated by this Agreement or any of the Related Documents to which the District is or will be a party, or (iii) the ability of District to perform any of its obligations under this Agreement or any of the Related Documents to which the District is or will be a party.

"Maturity Date" means the date a Note matures under the Order and as described in the Note, provided, the Maturity Date shall not be in excess of 270 days from the dated date of any particular Note.

"*Moody's*" shall mean Moody's Investors Service, Inc. or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the District.

"Note Interest is Taxable" means that interest paid or to be paid on Notes originally issued as tax exempt Notes is or will be includable for federal income tax purposes in the gross income of the Bank or any other Owner thereof, but excluding the inclusion of interest on such Notes as an item of tax preference for purposes of the calculation of an alternative minimum tax imposed on the Bank or such other Owner.

"Note Payment Account" has the meaning set forth in the Order

"*Note(s)*" shall mean the Series B Commercial Paper Notes.

"NYFRB" means the Federal Reserve Bank of New York.

"NYFRB's Website" means the website of the NYFRB at http://www.newyorkfed.org, or any successor source.

"Objection Date" has the meaning assigned to it in Section 2.19(c) of this Agreement.

"*Order*" shall mean the Second Amended and Restated Order adopted by the Board on July 24, 2023, authorizing the District, among other things, to execute, deliver, and perform this Agreement and the Fee Agreement, the Loan Note and to execute and deliver from time to time the Notes.

"*Outstanding*" when used with reference to Series B Commercial Paper Notes, as of the date of determination, shall mean all Series B Commercial Paper Notes theretofore delivered, except:

(1) Series B Commercial Paper Notes theretofore cancelled and delivered to the District for cancellation;

(2) Series B Commercial Paper Notes upon transfer of or in exchange for and in lieu of which other Series B Commercial Paper Notes have been delivered pursuant to the Order; and

(3) Series B Commercial Paper Notes under which obligations of the District have been released, discharged or extinguished in accordance with the terms thereof.

"*Patriot Act"* means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107-56 (signed into law October 26, 2001).

"*Person*" shall mean an individual, a corporation, a partnership, a limited liability company, an association, a trust, or any other entity or organization, including a governmental or political subdivision or any agency or instrumentality thereof.

"*Plan*" means, with respect to the District and each subsidiary at any time, an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and either (i) is maintained by a member of the Controlled Group for employees of a member of the Controlled Group of which the District or such subsidiary is a part, (ii) is maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the Controlled Group of which the District or such subsidiary is a part is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions.

"*Prime Rate*" means the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

"*Project Costs*" has the meaning set forth in the Act.

"Purchase Period" shall mean the period commencing on the Effective Date and continuing to the Expiration Date.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

"QFC Credit Support" has the meaning assigned to it in Section 7.26.

"Qualified Institutional Buyer" shall have the meaning assigned to such term in Rule 144A promulgated under the Securities Act.

"*Rating Agencies*" shall mean Moody's, S&P and Fitch any additional rating agency designated by the District with the written consent of the Bank.

"*Reduction Fee*" has the meaning set forth in the Fee Agreement.

"Reference Time" with respect to any setting of the then-current Benchmark means (1) if such Benchmark is the Term SOFR Rate, 5:00 a.m. (Chicago time) on the day that is two Business Days preceding the date of such setting and (2) if such Benchmark is not the Term SOFR Rate, the time determined by the Calculation Agent in its reasonable discretion.

"*Regulation U*" shall mean Regulation U of the Board of Governors of the Federal Reserve System (or any successor), as the same may be amended from time to time.

"*Related Documents*" shall mean the Order, this Agreement, the Fee Agreement, the Loan Note and the Notes.

"Relevant Governmental Body" means, the Federal Reserve Board and/or the NYFRB, the CME Term SOFR Administrator, as applicable, or a committee officially endorsed or convened by the Federal Reserve Board and/or the NYFRB or, in each case, any successor thereto.

"Request for Purchase" means a written notice in the form of Exhibit A hereto made by the District to the Bank requesting that the Bank to purchase Notes hereunder.

"Risk-Based Capital Guidelines" means (i) the risk-based capital guidelines in effect in the United States on the Effective Date, including transition rules, and (ii) the corresponding capital regulations promulgated by regulatory authorities outside the United States including transition rules, and any amendments to such regulations adopted prior to the Effective Date.

"*S&P*" shall mean Standard & Poor's Ratings Group, a Standard and Poor's Financial Services LLC business, or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the District.

"Sanctioned Country" means, at any time, a country, region or territory which is itself the subject or target of any Sanctions (at the time of this Agreement, the so - called Donetsk People's Republic, the so- called Luhansk People's Republic, the Crimea Region of Ukraine, Cuba, Iran, North Korea and Syria).

"Sanctioned Person" means, at any time, any Person subject or target of any Sanctions, including (a) any Person listed in any Sanctions-related list of designated Persons maintained by the U.S. government, including by Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, U.S. Department of Commerce, (b) any Person operating, organized or resident in a Sanctioned Country, (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b) (including, without limitation for purposes of defining a Sanctioned Person, as ownership and control may be defined and/or established in and/or by any applicable laws, rules, regulations, or orders).

"Sanctions" shall mean economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State.

"Series A Commercial Paper Notes" means the District's Commercial Paper Notes, Series A.

"Series A Commercial Paper Revolving Credit Agreement" means the revolving credit agreement between the District and the Bank as to the Series A Commercial Paper Notes.

"SOFR" means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

"SOFR Administrator" means the NYFRB (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website" means the NYFRB's website, currently at http://www.newyorkfed.org, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"Supported QFC" has the meaning given such term in Section 7.26.

"*Suspension Event*" means the occurrence of an event which causes the suspension of the obligation to purchase Notes hereunder pursuant to Section 6.02(d) hereof.

"*Swap Contract*" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "*Master Agreement*"), including any such obligations or liabilities under any Master Agreement.

"Taxable Date" means the date on which interest on Notes issued as tax exempt is first includable in gross income of an Holder (including, without limitation, any previous Holder) thereof as a result of a Determination of Taxability.

"Taxable Period" shall have the meaning assigned to such term in Section 2.07(a).

"Taxable Rate" means an interest rate per annum equal to the product of the interest rate on the Note then in effect multiplied by 1.54; but, in no event to exceed the Highest Lawful Rate.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term Benchmark" when used in reference to any Note, refers to such Note when bearing interest at a rate determined by reference to the Adjusted Term SOFR Rate.

"Term Loan" has the meaning given to such term in Section 2.04 hereof.

"Term Rate" means, for each date of determination with respect to amounts owing during any Amortization Period, the rate per annum specified below with respect to each period, such period to be computed from the Expiration Date (or the Taxable Date, if applicable and subject to the Taxable Rate):

(i) Day 1 through and including day 90, the Base Rate;

(ii) Day 91 and thereafter the Base Rate, plus 1.00%.

The Term Rate is the "Loan Note Rate" referenced in the Order.

"*Termination Fee*" has the meaning set forth in the Fee Agreement.

"Term SOFR Determination Day" has the meaning assigned to it under the definition of Term SOFR Reference Rate.

"Term SOFR Rate" means, with respect to any Note for any Comparable Tenor to the applicable Interest Period, the Term SOFR Reference Rate at approximately 5:00 a.m., Chicago time, two U.S. Government Securities Business Days prior to the commencement of such Comparable Tenor to the applicable Interest Period, as such rate is published by the CME Term SOFR Administrator.

"Term SOFR Reference Rate" means, for any day and time (such day, the "Term SOFR Determination Day"), with respect to any Note for any Comparable Tenor to the applicable Interest Period, the rate per annum determined by the Bank as the forward-looking term rate based on SOFR; provided that if the Term SOFR Reference Rate as so determined would be less than 0.00%, such rate shall be deemed to be 0.00% for the purposes of this Agreement. If by 5:00 pm (New York City time) on the fifth (5th) U.S. Government Securities Business Day immediately following any Term SOFR Determination Day, the "Term SOFR Reference Rate" for the applicable tenor has not been published by the CME Term SOFR Administrator and a Benchmark Transition Event with respect to the Term SOFR Rate has not occurred, then the Term SOFR Reference Rate for such Term SOFR Determination Day will be the Term SOFR Reference Rate as published in respect of the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate was published by the CME Term SOFR Administrator, so long as such first preceding Business Day is not more than five (5) Business Days prior to such Term SOFR Determination Day.

"U.S. Government Securities Business Day" means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

Section 1.02. Incorporation of Certain Definitions by Reference. Any terms with an initial capital letter which are used herein and which are not otherwise defined herein shall have the meaning assigned to them in the Order as in effect on the Effective Date unless the context shall indicate a contrary meaning.

Section 1.03. Accounting Terms. All accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared in accordance with generally accepted accounting principles applied on a basis consistent (except for changes concurred in by the District's independent public accountants) with the most recent financial statements of the District delivered pursuant to Section 5.01.

Section 1.04. Interpretations. References to a "general obligation" of the District means those District obligations secured by and payable from, in whole or in part, the District's levy and collection of a debt service tax, without limit as to rate or amount, on all taxable property within its boundaries. For purposes of clarity, the term general obligation shall not encompass any obligations payable from the District's maintenance and operations tax. The table of contents and article and section headings of this Agreement are included herein for convenience of reference purposes only and shall not constitute a part of this Agreement or affect its interpretation in any respect. Except where the context otherwise requires, words imparting the singular number shall include the plural number and vice versa. References to any constitutional, statutory or regulatory provision means such provision as it exists on the Effective Date and any future amendments thereto or successor provisions thereof. All references to time herein shall refer to local time in New York, New York.

Section 1.05. Interest Rates; Benchmark Notification.

The interest rate on a Note may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event, Section 2.19(b) provides a mechanism for determining an alternative rate of interest. The Calculation Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission, performance or any other matter related to any interest rate used in this Agreement, or with respect to any alternative or success or rate thereto, or replacement rate thereof, including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the existing interest rate being replaced or have the same volume or liquidity as did any existing interest rate prior to its discontinuance or unavailability. The Calculation Agent affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate used in this Agreement or any alternative, successor or alternative rate (including any Alternate Rate) and/or any relevant adjustments thereto, in each case, in a manner adverse to the District. The Calculation Agent may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referenced in the definition thereof, in each case pursuant to the terms of this Agreement, and absent gross negligence or willful misconduct, shall have no liability to the District, or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

ARTICLE II

COMMITMENT TO PURCHASE NOTES

Section 2.01. Commitment to Purchase Commercial Paper Notes.

(a) The District proposes to sell to the Notes in an amount not to exceed the Available Commitment. Such Notes will be issued pursuant to the Act, Elections held in the District on November 4, 2014, November 6, 2018, and May 6, 2023 and the Order. The Notes are being purchased for the account of the Bank as evidence of a loan to the District. The Notes to be purchased shall be (i) in minimum denominations of $1,000,000 and integral multiples of $100,000 in excess thereof, (ii) registered in the name of the Bank, (iii) purchased pursuant to a written notice from the District to the Bank in the form of Exhibit A (the "*Request for Purchase*"), (iv) in physical form (and not registered through a securities depository); and (v) Notes shall be dated the date of delivery thereof, mature and be payable as provided herein and in the Order and the Notes (but not in excess of 270 days from their dated date), subject to the right of prior prepayment as provided in the Order and herein (if any), and shall bear interest and shall have such other terms and provisions as provided herein, in the Order and in the Notes. Notes repaid may be reborrowed again prior to the Expiration Date and new Notes may be delivered in exchange for maturing Notes prior to the Expiration Date.

(b) The Bank agrees to purchase the Notes from the District, at the price of par during the period from the date hereof to the Expiration Date, or such earlier date on which the Available Commitment is terminated as provided herein, in accordance with the provisions of the Order and subject to satisfaction of the terms and conditions of this Agreement. Upon satisfaction of the conditions set forth in Section 3.01 of this Agreement and in the Order the Notes will be purchased in immediately available funds by the Bank in accordance with the Order; provided however that the District may deliver and the Bank shall accept while the Available Commitment is still in effect replacement Notes to refund maturing Notes prior to the Expiration Date. To request purchase of the Notes the District shall submit a Request for Purchase, properly completed, to the Bank, delivered by 3:00 p.m. at least two (2) Business Days prior to the date on which the requested purchase is to be made. If such a Request for Purchase is received by the Bank by such time on such a Business Day and all conditions to such purchase set forth in this Agreement (including those specified in this Section 2.01 and Section 3.01 and no event under 6.02(d) having then occurred and being in existence) and the Order are satisfied, the Bank will purchase such Notes (or accept in exchange for maturing Notes without the requirement for cash exchange) on the date specified in such Request for Purchase. The obligation of the Bank to purchase the Notes is subject to satisfaction of the following conditions:

(i) No Event of Default or Suspension Event shall have occurred and be continuing;

(ii) Receipt by the Bank of a Request for Purchase as described in this Section 2.01;

(iii) The amount of the requested purchase of Notes shall not exceed the Available Commitment;

(iv) The Request for Purchase shall be made on or prior to the Expiration Date;

(v) All representations and warranties of the District in this Agreement shall be true and correct in all material effect and shall be deemed made on the date of the Request for Purchase; and

(vi) In the event of a request to purchase Notes in exchange for maturing Notes, the Request for Purchase shall be at least equal the principal amount of maturing Notes to be exchanged.

Section 2.02. Private Placement. The District intends to sell Notes to the Bank pursuant to this Agreement in the form of a private placement in an amount up to the Available Commitment.

Section 2.03. Payment of Notes. The obligations of the District under the Notes, the Loan Note and this Agreement constitute the general obligations of the District. The District hereby agrees to make prompt and full payment of all amounts due and owing to the Bank under this Agreement, the Notes and the other Related Documents and to pay all amounts due and owing to the Bank, with interest thereon at the rate or rates provided in this Agreement, the Notes or such other Related Documents. The District agrees to pay to the Bank the following:

(i) Interest on the outstanding principal amount of the Notes from time to time, at the following rates during the following periods:

(A) Subject to adjustment from time to time as set forth in Sections 2.4, 2.5, 2.6, 2.7 and 2.19 hereof, a rate per annum equal to the Adjusted Term SOFR Rate for the applicable Interest Period during the Initial Interest Rate Period;

(B) on each Interest Payment Date during the Amortization Period (the "Term Loan"), interest at the Term Rate;

(C) as provided in Section 2.05, interest at the Default Rate; and

(D) as provided in Section 2.07, interest at the Taxable Rate.

Except as otherwise set forth herein, accrued but unpaid interest on each Note shall be due and payable on each Interest Payment Date and on the applicable Maturity Date. The Bank shall promptly notify the District of the interest rate applicable to any Notes upon determination of such interest rate; provided, however, that the failure by the Bank to provide notice of the applicable interest rate shall not relieve the District of its obligation to make payment of amounts as and when due hereunder. Each determination by the Bank of an interest rate shall be conclusive and binding for all purposes, absent manifest error.

(ii) The outstanding principal amount of the Notes on the earlier of the Maturity Date and the Expiration Date; provided, however, prior to the Expiration Date, in lieu of repayment of maturing Notes on the Maturity Date, the District may deliver to the Bank replacement refunding Notes of the same principal as the maturing Notes to be refunded.

No Notes shall have Maturity Date beyond the Expiration Date. Notes maturing on the Expiration Date and not paid on such date shall be converted to a Term Loan under Section 2.04 subject to the requirements of Section 2.04.

Section 2.04. Amortization of Notes. (a) Notwithstanding Section 2.03 above, in the event the District does not pay to the Bank the maturing principal amount of the Outstanding Notes on the Expiration Date, and provided that (i) no Event of Default, other than the failure to pay the maturing principal amount of the Outstanding Notes on the Expiration Date, or any event which with the giving of notice or the passage of time or both would constitute an Event of Default, shall have occurred and be continuing and (ii) the representations and warranties set forth herein shall be deemed made and are true and correct on the Expiration Date (except with respect to the failure to pay the maturing principal amount of the Outstanding Notes on the Expiration Date), then the District shall instead pay to the Bank the outstanding principal amount of the Notes as of such date (the "Amortization Amount") in installments payable on each February 1 and August 1, commencing on the February 1 that occurs immediately succeeding the first day of the Amortization Period so that the Amortization Amount is repaid in approximately equal semiannual principal payments by the end of the Amortization Period (the "Term Loan"). The obligations of the District to the Bank shall be evidenced by the Loan Note. In the event a Term Loan is made as of the Expiration Date, the Outstanding Notes shall be cancelled and exchanged for the Loan Note. Any Amortization Amount remaining unpaid on the Amortization End Date shall then be repaid in full. The District may prepay, or cause to be prepaid, some or all of the Amortization Amount on any Business Day upon one Business Day's notice to the Bank, such prepayment to be accompanied by interest accrued thereon at the Term Rate to the date of prepayment; and

(b) During the Amortization Period, interest on the Amortization Amount shall accrue at the Term Rate and shall be payable in arrears on each Interest Payment Date.

Section 2.05. Default Rate. The District agrees to pay, or cause to be paid to the Bank, upon demand, interest on any and all amounts due and owing by the District under this Agreement, the Notes or the other Related Documents from and after the earlier of (i) the date amounts owed hereunder are due and not paid and (ii) the occurrence and continuance of an Event of Default, but only for so long as such amounts due remain unpaid or such Event of Default continues, at the Default Rate. The obligations of the District under this Section shall survive the termination of this Agreement and the payment in full of the Notes and the Loan Note.

Section 2.06. Excess Interest. (a) Notwithstanding anything contained herein or in the Notes or the Loan Note to the contrary, to the extent permitted by law, (i) if at any time the interest rate due on the Notes or the Loan Note exceeds the Highest Lawful Rate, then (x) interest at the Highest Lawful Rate shall be due and payable and (y) interest at the rate equal to the difference between (A) the applicable rate and without regard to the limitation of this Section 2.06(a) and (B) the Highest Lawful Rate (the "*Excess Interest Amount*") shall be deferred until such date as the applicable rate ceases to exceed the Highest Lawful Rate, at which time the District shall pay to the Bank, with respect to amounts then payable to the Bank that are required to accrue interest hereunder, such portion of the deferred Excess Interest Amount as will cause the rate of interest then paid to the Bank to equal the Highest Lawful

Rate, which payments of deferred Excess Interest Amount shall continue to apply to such unpaid amounts hereunder and under the Order, to the greatest extent permitted by law, until the Excess Interest Amount is fully paid to the Bank. Upon the termination of this Agreement or the Amortization Period, as applicable, to the extent permitted by applicable law, in consideration for the limitation of the rate of interest otherwise payable hereunder, the District shall pay to the Bank a fee equal to the unpaid portion of the Excess Interest Amount; provided, that such fee shall not cause the net effective interest rate on the Notes to exceed the maximum net effective interest rate under Section 1204.005 of Texas Government Code.

(b) Notwithstanding anything contained herein, in the Notes, the Loan Note or in the Order to the contrary, the Excess Interest Amount due hereunder is payable by the District to the Bank from District's ad valorem debt service tax revenues on hand and lawfully available for such purpose, but to the extent the District determines such funds are not available at that time, such amounts shall not be required to be paid by the District until February 1 of the calendar year immediately following the date that the District next adopts an order levying ad valorem taxes on property subject to taxation by the District and such Excess Interest shall not accrue interest pending payment.

(c) The obligations of the District under this Section shall survive the termination of this Agreement and the payment in full of the Notes and the Loan Note.

Section 2.07. Taxability (a) In the event a Taxable Date occurs, the Notes or the Loan Note shall bear interest at the Taxable Rate on and after the Taxable Date, payable on each Interest Payment Date, and in addition to (but not in duplication of) the amounts required to be paid pursuant to the Related Documents, the District hereby agrees to pay to the Bank, on demand therefor (A) an amount equal to the difference between (1) the amount of interest paid to the Bank on the Notes or the Loan Note during the period in which interest on the Notes or the Bank is includable in the gross income of the Bank beginning on the Taxable Date (the "*Taxable Period*") and (2) the amount of interest that would have been paid to the Bank during such Taxable Period had the Notes borne the Taxable Rate, and (B) an amount equal to any interest, penalties or charges owed by the Bank as a result of interest on the Notes or the Loan Note becoming includable in the gross income of the Bank, together with any and all reasonable attorneys' fees, court costs, or other out of pocket costs incurred by the Bank in connection therewith. The Bank shall present to the District an invoice as to the amounts in clause (a)(B) of this section along with a commercially reasonable explanation of the amounts due.

(b) Subject to the provisions of subsection (c) below, the Bank shall afford the District the opportunity, at the District's sole cost and expense, to contest (i) the validity of any amendment to the Code which causes the interest on the Notes or the Loan Note to be includable in the gross income of the Bank or (ii) any challenge to the validity of the tax exemption with respect to the interest on the Notes or the Loan Note, including the right to direct the necessary litigation contesting such challenge (including, but not limited to administrative audit appeals).

(c) As a condition precedent to the exercise by the District of its right to contest set forth in subsection (b) above, the District shall reimburse the Bank, within forty-five

(45) days after demand therefor accompanied by an invoice and a commercially reasonable explanation of the amounts due, for (i) any and all expenses (including attorneys' fees for services that may be required or commercially reasonable under the circumstances, as determined by the Bank in its sole discretion) that may be incurred by the Bank as a result of any such contest, and (ii) any and all penalties or other charges payable by the Bank for failure to include such interest in its gross income.

(d) Notes bearing interest at the Taxable Rate shall be subject to amortization as provided in Section 2.04, at the option of the District, and bear interest at the Term Rate as modified by the Taxable Rate. Upon a Determination of Taxability as related to the Loan Note, the Loan Note shall bear interest at the Term Rate as modified by the Taxable Rate.

(e) To the extent the Bank has received any payments under this Section 2.07(a)(B), if the Bank shall receive or be entitled to a refund, repayment or credit of interest, penalty, or charges on which such payment was based, the Bank shall pay an amount equal to such refund, payment or credit to the District in an amount up to the total amount paid by the District to the Bank.

Section 2.08. Calculation of Interest. All computations of interest while the Notes bear interest at the Adjusted Term SOFR Rate shall be made on a 360-day year basis and actual days elapsed. While the Notes bear interest at the Adjusted Base Rate, Alternate Rate, Base Rate or Term Rate, interest on such Notes shall be calculated on a 365-day year basis (or 366 days in a leap year) and actual days elapsed. In addition, any calculation made pursuant to this Section 2.08 hereof that would cause the interest paid, payable, or accruing on the indebtedness of the District under this Agreement, the Note or the Loan Note to exceed the Highest Lawful Rate shall be adjusted so as to reduce the interest paid, payable, and accruing hereunder to such Highest Lawful Rate, as more fully set out in Section 2.06 hereof. All sums paid or agreed to be paid to the Bank for the use, forbearance, or detention of the indebtedness evidenced by the Notes or the Loan Note shall, to the extent permitted by law (including, to the extent applicable, Chapter 1204, as amended, Texas Government Code), be amortized, prorated, allocated, and spread through the full term of the Notes or the Loan Note.

Section 2.09. Fees. The District hereby agrees to pay to the Bank all amounts set forth in the Fee Agreement on the terms, in the amounts and in the manner set forth herein and therein and the terms of the Fee Agreement are hereby incorporated herein by reference as if fully set forth herein. Any reference herein to fees and/or any other amounts or obligations payable hereunder or under this Agreement shall include, without limitation, all fees and other amounts or obligations payable pursuant to the Fee Agreement, and any reference to this Agreement shall be deemed to include a reference to the Fee Agreement. All computations of fees and other amounts due under the Fee Agreement shall be made by the Bank on the basis of a year of 360 days and the actual number of days elapsed.

Section 2.10. Termination or Reduction of Commitment. (a) During the Purchase Period, the District may, upon at least thirty (30) Business Days notice to the Bank reduce from time to time the Available Commitment by $1,000,000 or any integral multiple of $100,000 in excess thereof.

(b) Notwithstanding any provision of this Agreement or any Related Document to the contrary, the District agrees not to terminate the Available Commitment, except upon (i) the payment by the District to the Bank of the Termination Fee, if any, in the amount set forth in the Fee Agreement, (ii) the payment to the Bank of all obligations payable hereunder, under the Notes and under the Fee Agreement and (iii) the District providing the Bank with thirty (30) days' prior written notice of its intent to terminate the Available Commitment; *provided* that all payments to the Bank referred to in clauses (i) and (ii) above shall be made in immediately available funds.

(c) Notwithstanding the foregoing and anything set forth herein to the contrary, unless the District agrees not to permanently reduce the Commitment except upon payment by the District to the Bank on the date of such reduction of the Reduction Fee, if any, in the amount set forth in the Fee Agreement, such amount to be made in immediately available funds.

Section 2.11. Prepayment of Notes. (a) *Optional Prepayments*. The District may, at its option, upon written notice to the Bank, at any time and from time to time, prepay Notes, in whole or in part, subject to the Breakage Expense described in Section 2.12. Each partial prepayment permitted above shall be in the principal amount of $100,000 or any multiple thereof plus accrued interest thereon.

(b) *Mandatory Prepayments*. If on any date (A) the aggregate principal amount of Outstanding Notes exceeds the amount of the Available Commitment, the District shall immediately prepay the Notes in an amount equal to such excess, or (B) any Notes purchased by the Bank for the repayment of outstanding Notes, the District shall immediately prepay any Outstanding Notes in an amount equal to the sum of the proceeds from such purchase.

(c) Upon receipt by the Bank of a notice of prepayment pursuant to this Section, such notice shall not be revocable by the District.

(d) Each prepayment shall be accompanied by the payment of accrued interest to the date of such prepayment on the amount prepaid.

Section 2.12. Breakage. In the event the Bank shall incur any loss, cost, or expense (including, without limitation, any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired or contracted to be acquired by the Bank to purchase or hold the Notes or the relending or reinvesting of such deposits or other funds or amounts paid or prepaid to the Bank) as a result of any prepayment or redemption of the Notes or the Loan Note on a date other than an Interest Payment Date (the "*Breakage Expenses*") for any reason, whether before or after a default, then upon the demand of the Bank, the District shall pay to the Bank a prepayment or redemption premium, as applicable, in such amount as will reimburse the Bank for such Breakage Expenses. If the Bank requests such prepayment or redemption premium, as applicable, it shall provide to the District a certificate setting forth the computation of the Breakage Expenses giving rise to the request for such prepayment or redemption premium, as applicable, in reasonable detail and such certificate shall be conclusive if reasonably determined.

Section 2.13. General Provisions as to Payment. The following general provisions shall apply to all payments due under the Fee Agreement, under the Notes and hereunder:

(a) The Bank shall calculate and notify the District in writing of the amounts payable by the District hereunder and the Fee Agreement not less than ten (10) Business Days preceding any payment date; provided that in no event shall the failure by the Bank to timely delivery such invoice affect the obligations of the District to make all such payments in the amount and on the dates required in this Agreement or the Fee Agreement. Such calculations will be based on the assumptions that the interest rate will not change from the date of calculation to the payment date. In the event any of such applicable rates change between the date of notification and the payment date, any overpayment or underpayment resulting from such change will be applied to the next ensuing payment or reimbursed, as the case may be.

(b) The District shall make each payment due to the Bank hereunder or under the Fee Agreement not later than 3:00 p.m. on the day when due, in federal or other funds immediately available, by wire transfer to such account as the Bank may from time to time designate. All payments received by the Bank after 3:00 p.m. shall be determined to have been received on the next succeeding Business Day and the applicable interest or fee shall continue to accrue.

(c) Whenever any payment due hereunder or under the Fee Agreement shall be due on any day which is not a Business Day, the date for payment thereof shall be extended to the next succeeding Business Day. If the date for the payment or prepayment of amounts due hereunder or under the Fee Agreement is extended by the preceding sentence, or by operation of law, or otherwise, interest thereon shall be payable for the period of such extension at the rate applicable thereto under other provisions of this Agreement.

Section 2.14. Security for Notes. The Notes, the Loan Note and all obligations of the District to the Bank hereunder and under the Fee Agreement are general obligations of the District. To provide security for the payment of the principal of and interest on the Notes, and the Loan Note and any amounts due under this Agreement and under the Fee Agreement, as the same shall become due and payable, the District has granted a lien on and pledge of the following:

(a) the proceeds from the sale of Notes from time to time issued to pay (or in exchange for) principal amounts of or interest on Outstanding Notes,

(b) proceeds from the sale of general obligation bonds issued by the District from time to time hereafter for the purpose of paying the principal amounts of or interest on outstanding Notes,

(c) amounts held in the Note Payment Account for the Notes, as set forth in the Order; and

(d) the proceeds of the tax levy, as set forth in the Order.

The District has also levied a continuing direct annual ad valorem tax, without legal limit as to rate or amount, upon all taxable property in the District, sufficient to pay principal and interest due on the Notes, the Loan Note and other amounts due hereunder and under the Fee Agreement. All of such sources and pledges are herein called the "*Collateral*." The Notes and the Loan Note shall further be entitled to the benefits of this Agreement.

Section 2.15. Chapter 1208, Texas Government Code. Chapter 1208, Texas Government Code applies to the Notes and the Loan Note and the obligations hereunder and under the Fee Agreement and the pledge made under Section 2.14, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Notes, the Loan Note or any obligation hereunder or under the Fee Agreement are outstanding and unpaid such that the pledge made by the District hereunder is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the Bank the perfection of the security interest in said pledge, the District agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Section 2.16. Extension of Purchase Period. Not more than one hundred twenty (120) days prior to the Expiration Date, the District may submit a written request in the form of Exhibit D hereto to the Bank that the Expiration Date be extended for an additional period as agreed to by the parties hereto. The District may request one or more such extensions. Any such written request may be accompanied by requests to increase or decrease the amount, or otherwise modify the terms and conditions, of the Available Commitment. The Bank has no obligation to agree to extend the Purchase Period or any other request or condition accompanying such request. If the Bank, in its sole discretion following such request by the District, agrees to extend the Purchase Period, the Bank shall give written notice of the election by the Bank to extend to the District within thirty (30) days from the date of receipt of information necessary, in the Bank's reasonable judgment, to permit the Bank to make an informed credit decision; and such extension shall be subject to preparation, execution and delivery of documentation in form and substance satisfactory to the Bank and the District. If the Bank does not so notify the District, the Expiration Date shall not be so extended. At the time of any extension, the Bank may, in its sole discretion as a condition to such extension, require changes in the terms and conditions of this Agreement or the Fee Letter.

Section 2.17. Compliance with Law. (a) Notwithstanding any other term or provision of this Agreement, the Fee Agreement, the Loan Note or of the Notes, the maximum amount of interest which may be payable by, charged to, or collected from the District, or any other person either primarily or conditionally liable for the payment of the Notes or the Loan Note, shall be limited to, and shall in no event or under any circumstance exceed, the Highest Lawful Rate so that, notwithstanding any other term or provision of this Agreement, the Fee Agreement, the Loan Note or the Notes, the aggregate of the interest on any Note or Loan Note, including all fees and other amounts which constitute interest under applicable state law (and any applicable federal statutes), shall never exceed the Highest Lawful Rate. Accordingly, the District and the Bank stipulate and agree that this Agreement, the Fee Agreement, the Loan Note and the Notes shall not be construed to create a contract to pay interest for the use,

forbearance, or detention of money at a rate in excess of the Highest Lawful Rate, and the District shall never be liable for interest in excess of the Highest Lawful Rate.

(b) Specifically and without limiting the generality of the foregoing, it is further agreed among the District and the Bank that the maximum amount of interest contracted for and payable on or under this Agreement, the Fee Agreement, the Loan Note and the Notes, now or hereafter shall be calculated in order that such rate shall not exceed the Highest Lawful Rate, and such parties agree that:

(i) In the event of voluntary prepayment of any Note or Loan Note, if the aggregate amount of any interest calculated thereunder or thereon, plus any other amounts which constitute interest on such Note or Loan Note would, in the aggregate, if charged or paid, exceed the Highest Lawful Rate, then in such event the amount of such excess shall not be charged, payable or due (if not previously paid) or (if paid) shall be credited toward the payment of the principal of the Note or Loan Note involved so as to reduce the amount thereof and if, and to the extent, the entire principal amount has been paid in full, refunded to the District.

(ii) The provisions of this Section 2.17 shall control over any other provisions of this Agreement, the Fee Agreement, the Loan Note the Notes, any other instrument or writing evidencing, respecting or affecting the Loan Note or Notes, and the Bank further agrees that any limitations or restrictions imposed on it, or on payments which it may receive by reason of this Section 2.17, shall apply and be recognized in all circumstances and to all payments, regardless of the source or payor thereof; *provided*, *however*, that this Section 2.17 shall not be construed to prohibit the payment of the Excess Interest Amount as described in Section 2.06 hereof.

(iii) All fees prescribed herein and in the Fee Agreement shall constitute exclusively the consideration for the Bank's agreement to have available funds in the amount committed by the Bank in respect to the purchase of the Notes in the future as provided herein and shall not constitute or be treated as compensation for the use of, forbearance, or detention of money actually loaned and advanced hereunder.

Section 2.18. Obligations Absolute. The obligations of the District under this Agreement, the Notes, the Loan Note and the Fee Agreement shall be absolute, unconditional and irrevocable and shall be paid or performed strictly in accordance with the terms of this Agreement, the Notes, the Loan Note and the Fee Agreement, under all circumstances whatsoever, including, without limitation, the following circumstances: (i) any lack of validity, legality or enforceability of this Agreement, the Fee Agreement, the Notes, Loan Note or any other Related Document, or any other instrument, agreement or other document executed and delivered by the District in connection with any of the foregoing; (ii) any amendment or waiver of or any consent to departure from all or any of the Related Documents, or any other instrument, agreement or other document executed and delivered by the District in connection with any of the foregoing; (iii) any statement or other document presented under this Agreement proving to be forged, fraudulent, invalid or insufficient in any respect or any

statement therein being untrue or inaccurate in any respect whatsoever; (iv) the purchase of Notes after the delivery of a Request for Purchase that does not comply with the terms of this Agreement; (v) the existence of any claim, set-off, defense or other rights which the District may have at any time against the Bank or any other Person, whether in connection with this Agreement, the transactions contemplated herein or in the Related Documents or any unrelated transaction; or (vi) any other circumstance (whether or not similar to any of the foregoing), it being agreed that the obligations hereunder and under the Fee Agreement shall not be discharged except by the performance thereof strictly in accordance with the terms of this Agreement and the Fee Agreement including, without limitation, the payment in full as herein provided of all amounts owing hereunder and under the Fee Agreement.

Section 2.19. Alternate Rate of Interest.

(a) Subject to clauses (b), (c) and (d) of this Section 2.19, if:

(i) the Calculation Agent determines (which determination shall be conclusive absent manifest error) prior to the commencement of any Interest Period, that adequate and reasonable means do not exist for ascertaining the Adjusted Term SOFR Rate or the Term SOFR Rate (including because the Term SOFR Reference Rate is not available or published on a current basis), for such Interest Period; or

(ii) the Calculation Agent is advised by the Bank that prior to the commencement of any Interest Period, that Adjusted Term SOFR Rate for such Interest Period will not adequately and fairly reflect the cost to the Bank of purchasing or holding the Note for such Interest Period;

then the Calculation Agent shall give notice thereof to the District as promptly as practicable thereafter and, until the Calculation Agent notifies the District that the circumstances giving rise to such notice no longer exist, (A) any Note shall be (x) repaid or (y) begin to bear interest at the Adjusted Base Rate plus the Applicable Spread on the last day of the then current Interest Period applicable thereto, and (B) if any Request for Purchase requests the Bank to purchase Notes, such Notes shall bear interest at the Adjusted Base Rate plus the Applicable Spread.

(b) If the Calculation Agent or the Bank determines that any Requirement of Law has made it unlawful, or if any Governmental Authority has asserted that it is unlawful, for the Bank or its applicable lending office to purchase or maintain any Notes bearing interest at the Adjusted Term SOFR Rate, or any Governmental Authority has imposed material restrictions on the authority of the Bank to purchase or sell, or to take deposits of, dollars in the interbank offering market, then, on notice thereof by the Bank to the District (which notice shall contain a description restriction or determination that is the basis for the delivery of notice by the Bank under this Section 2.19(b)), any obligations of the Bank to purchase or maintain any Notes bearing interest at the Adjusted Term SOFR Rate will be suspended until the Bank notifies District that the circumstances giving rise to such determination no longer exist. Upon receipt of notice from the Bank triggering the suspension of the Bank's obligation to purchase or maintain Notes bearing interest at the Adjusted Term SOFR Rate, District will upon demand from the Bank, either prepay such Notes bearing interest at the Adjusted Term SOFR Rate or convert such Notes to Notes accruing interest at the Adjusted Base Rate plus the Applicable Spread, either on the last day of the Interest Period

therefor, if the Bank may lawfully continue to maintain such Notes bearing interest at the Adjusted Term SOFR Rate to such day, or as soon as reasonably practicable under the laws applicable to the District, if the Bank may not lawfully continue to maintain such Notes. Upon any such prepayment or conversion, the District will also pay accrued but unpaid interest on the amount so prepaid or converted.

(c) Notwithstanding anything to the contrary herein or in any other Related Document, if a Benchmark Transition Event has occurred, the Bank may, by notice to the District, amend this Agreement to establish an alternate rate of interest for the Benchmark that gives due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) the then-evolving or prevailing market convention for determining a benchmark rate as a replacement for the then current Benchmark at such time (the "Alternate Rate"); the District acknowledges that the Alternate Rate may include a mathematical adjustment using any then-evolving or prevailing market convention or method for determining a spread adjustment for the replacement of the Benchmark (which may include, if any Benchmark already contains such a spread, adding that spread to the Alternate Rate).The Bank may further amend this Agreement by such notice to the District to make technical, administrative or operational changes (including, without limitation, changes to the definition of "Interest Period", timing and frequency of determining rates and making payments of interest, the timing of prepayment or conversion notices, the length of lookback periods, the applicability of breakage provisions and other technical, administrative or operational matters) that the Bank decides in its reasonable discretion may be appropriate to reflect the adoption and implementation of the Alternate Rate and are not in violation of the laws applicable to the District. The Alternate Rate, together with all such technical, administrative and operational changes as specified in any notice, shall become effective at the later of (i) the fifth Business Day after the Bank has provided notice (including without limitation for this purpose, by electronic means) to the District (the "Objection Date") and (ii) a date specified by the Bank in the notice, without any further action or consent of the District, so long as the Bank has not received, by 5:00 pm Eastern time on the Objection Date, written notice of objection to the Alternate Rate from the District. If, on the date the Benchmark actually becomes permanently unavailable pursuant to a Benchmark Transition Event, an Alternate Rate has not been established in this manner, the Notes will, until an Alternate Rate is so established, bear interest at the Adjusted Base Rate plus the Applicable Spread. In no event shall the Alternate Rate be less than the Floor.

(d) All determinations by the Bank under this Section 2.19 shall be conclusive and binding absent manifest error and may be made in its sole discretion and without consent from any other party to this Agreement or any other Related Document, except, in each case, as expressly required pursuant to this Section 2.19.

ARTICLE III

CONDITIONS

Section 3.01. Conditions to Closing and Commencement of the Purchase Period. This Agreement shall be delivered to, and binding upon, the District and the Bank on the date on which the conditions set out in this Section 3.01 shall have been satisfied, and the Revolving Credit Period shall commence on such date.

(a) a counterpart of this Agreement and the Fee Agreement duly executed by the District and the Bank;

(b) a copy of the Order, including any amendments thereto;

(c) a certificate of the Authorized Official in form and substance satisfactory to the Bank, dated the Effective Date, and containing the representations substantially in the form of Exhibit B hereto;

(d) an opinion of Bond Counsel on which the Bank may rely, dated the Effective Date, in form and substance satisfactory to the Bank and its counsel;

(e) copy of the executed Series A Commercial Paper Revolving Credit Agreement;

(f) copies of all approvals or authorizations by, or consents of, or notices to or registrations with, any governmental body or agency required for the District to enter into this Agreement, the Fee Agreement and the Related Documents and of all such approvals, authorizations, consents, notices, or registrations required to be obtained or made prior to the Effective Date in connection with the transactions described herein and by the other Related Documents;

(g) copies of the District's investment policy, guidelines and permitted investments;

(h) evidence of the underlying rating on the District's unlimited tax bonds from S&P of "AA+" and Fitch of "AA+".

(i) a certificate of incumbency, dated on or before the Effective Date, executed by the Secretary of the Board;

(j) the duly executed Loan Note;

(k) an approving opinion of the Office of the Attorney General of the State of Texas; and

(l) such other documents, opinions, or certificates reasonably requested by the Bank.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE DISTRICT

Section 4.01. Organization and Powers. The District (a) is a political subdivision of the State and an independent school district duly established and validly existing under the constitution and laws of the State of Texas; (b) has full power and authority to operate, acting through the Board, and to acquire, construct, finance, and operate the Eligible Projects; (c) has full power and authority to adopt the Order; to execute, deliver, and perform the Order, this

Agreement, the Fee Agreement, the Loan Note and the Notes; to borrow hereunder, and to execute, deliver, and perform the Notes and the Loan Note and (d) has full power and authority to issue the Notes and the Loan Note, sell the Notes as described herein, and otherwise incur general obligation debt in accordance with this Agreement, the Fee Agreement and the other Related Documents and pay the principal of and interest on the Notes, the Loan Note and all of the District's Obligations hereunder (including, without limitation, the obligation, to repay all Notes and the Loan Note, to pay all interest thereon, and to pay all fees and other amounts payable hereunder and under the Fee Agreement).

Section 4.02. Authorization Contravention. The execution, delivery, and performance by the District of this Agreement, the Fee Agreement, the Order, the Loan Note, the Notes and the making of the payments under the Notes and the Loan Note have been duly authorized by all necessary action by the District and do not contravene, conflict, or result in the violation or breach of, or constitute a default under, any provision of Applicable Law.

Section 4.03. Governmental Consent or Approval. The District is in compliance with all Applicable Laws, orders, regulations, and other requirements of governmental authorities. No authorization, consent, approval, permit, license, or exemption of, or filing or registration with, any court or governmental department, commission, board, bureau, agency, or instrumentality that has not been already obtained or issued (or will have been obtained on or prior to the Effective Date) is or will be necessary for the valid adoption, execution, delivery or performance by the District of the Related Documents, the Notes, the Loan Note or this Agreement.

Section 4.04. Binding Effect. This Agreement, the Fee Agreement, the Order, the Loan Note and the Notes constitute valid and binding obligations of the District, assuming this Agreement and the Fee Agreement are the valid and binding agreements of the Bank, enforceable against the District in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium, or other laws or equitable principles relating to or limiting creditor's rights and remedies generally.

Section 4.05. Federal Reserve Regulations. No part of the proceeds of any Notes or the Loan Note will be used for the purpose, whether immediate, incidental, or ultimate, of purchasing or carrying any margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System, as amended from time to time), or extending credit to others for the purpose of purchasing or carrying any margin stock, or for any other purpose which would violate any of the regulations of said Board of Governors.

Section 4.06. Litigation. There is no action, suit, or proceeding to which the District is a party pending in any court or, to the knowledge of the District, threatened against or affecting the District, or relating to other Applicable Laws or regulations, or this Agreement or the other Related Documents in any court or before or by any governmental department, agency, instrumentality, or arbitrator the resolution of which could reasonably be expected to materially and adversely affect the ability or authority of the District to perform its obligations under this Agreement or the other Related Documents, or which in any manner questions the validity or enforceability of this Agreement or the Related Documents or the granting, perfection, enforceability, or priority of the lien on and pledge of the Collateral provided in

Section 2.14, except any action, suit, or proceeding which may be brought prior to the Effective Date as to which the Bank has received an opinion of counsel satisfactory to the Bank, in form and substance satisfactory to the Bank and its counsel, to the effect that such action, suit, or proceeding is without substantial merit.

Section 4.07. No Default. The District is not in default under (i) any order, writ, injunction or decree of any court or governmental body, agency or other instrumentality applicable to it, or (ii) any law or regulation applicable to it, or (iii) any of its debt, or (iv) any contract, agreement or instrument to which it is a party or by which it or its property is bound, in each case, which default could have a material adverse effect on the properties, business, revenues, condition (financial or other), results of operations or prospects of the District or an adverse effect on the validity or enforceability of, or the authority or ability of the District to perform its obligations under, this Agreement and the other Related Documents; and no event has occurred which with the giving of notice or the passage of time or both would constitute such a default. No Default or Event of Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Related Document.

Section 4.08. Financial Statements. All financial statements of the District delivered to the Bank have been prepared in accordance with generally accepted accounting principles consistently applied and fairly present the financial condition of the District. No material adverse change in the business, properties, condition (financial or otherwise), or operations, present or prospective, of the District has occurred since the date thereof.

Section 4.09. Complete and Correct Information. All information, reports, and other papers and data with respect to the District furnished by the Board to the Bank in connection with this Agreement were, at the time the same were so furnished, complete and correct in all material respects. No document furnished or written information provided by the District in connection with the negotiations, preparation, or execution of this Agreement contains any untrue statement of a fact material to its creditworthiness or omits to state a material fact necessary in order to make the statements contained therein not misleading.

Section 4.10. Collateral. Section 2.11 of the Order creates and constitutes a valid continuing irrevocable lien on and pledge of the Collateral.

Section 4.11. Incorporation by Reference. The representations and warranties (and related defined terms used therein) made by the District in the Related Documents are hereby incorporated herein by reference and made for the benefit of the Bank. Except as made in accordance with the terms hereof, no amendment, modification, termination or replacement of any such representations, warranties and definitions contained in the Related Documents shall be effective to amend, modify, terminate or replace the representations, warranties, covenants and definitions incorporated herein by this reference, without the prior written consent of the Bank.

Section 4.12. Legislation. Except to the extent disclosed to the Bank in writing, there is no amendment or, to the knowledge of the District, proposed amendment to the constitution of the State of Texas or any administrative interpretation of the constitution of the

State of Texas or any State of Texas law, or any legislation that has passed either house of the legislature of the State of Texas, or any judicial decision interpreting any of the foregoing, the effect of which will materially adversely affect the issuance of any of the Notes or the Loan Note, the security for any of the Notes, the Loan Note or the District's obligations hereunder, under the Notes or under any of the other Related Documents to which it is a party, or the District's ability to repay when due its obligations under this Agreement, under the Notes and the Loan Note, any of its general obligation bonds, or any Related Document.

Section 4.13. *Environmental Matters*. The District has not received notice to the effect that its operations are not in compliance with any of the requirements of applicable federal, state or local environmental, health and safety statutes and regulations or are the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could reasonably be expected to have a material adverse effect on the assets, financial condition, or operations of the District or its ability to perform its obligations under the Related Documents.

Section 4.14. *Tax-Exempt Status*. The District has not taken any action or omitted to take any action, and knows of no action taken or omitted to be taken by any other Person, which action, if taken or omitted, would adversely affect the exclusion of interest on the Notes from gross income for federal income tax purposes.

Section 4.15. *Compliance with Laws and Contracts*. The execution, delivery and performance by the District of this Agreement and the other Related Documents to which it is a party will not (i) violate any provision of any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award as currently in effect to which the District is subject; (ii) result in a breach of or constitute a default under the provisions of any indenture, loan or credit agreement or any other agreement, lease or instrument to which the District may be or is subject or by which it, or its property, is bound; or (iii) result in, or require, the creation or imposition of any mortgage, deed of trust, assignment, pledge, lien, security interest or other charge or encumbrance of any nature on or with respect to any of the properties of the District other than as provided therein; and the District is not in default under any such law, rule, regulation, order, writ, judgment, injunction, decree, determination or award or any such indenture, agreement, lease or instrument except for such noncompliance that singly or in the aggregate has not caused and could not reasonably be expected to cause a Material Adverse Effect.

Section 4.16. *Solvency*. The District is, and upon the incurrence of any obligation by the District on any date on which this representation and warrant is made will be, solvent and able to pay its debts as they become due.

Section 4.17. *No Tax or Fee*. None of the execution or delivery of this Agreement or the other Related Documents, the extension of credit provided herein or the purchase of Notes will give rise to any tax or fee imposed by any local or state agency or governmental body, except for those which have been paid.

Section 4.18. Issuance of Commercial Paper Notes. Each issuance of Notes by the District shall be deemed a representation by the District that (a) the District has complied in all material respects with all of the terms and provisions of this Agreement and the other Related Documents, (b) on such date, and after giving effect to the issuance of the Notes, no Default or Event of Default has occurred or is continuing, (c) the representations and warranties of the District contained in this Agreement and the other Related Documents to which it is a party are true and correct in all material respects on and as of the date of issuance of the Notes in question as though made on and as of such date, and (d) the aggregate amount of Notes Outstanding, after issuance of the Notes will not exceed the Commitment available to be drawn hereunder.

Section 4.19. Commercial Paper Notes. Each Note and the Loan Note has been duly and validly issued under the Act, the Order and entitled to the benefits thereof.

Section 4.20. Employee Benefit Plan Compliance. The District has no funding liability or obligation currently due and payable with respect to any employee benefit plan which could reasonably be expected to materially and adversely affect the ability of the District to perform its obligations hereunder or under any other Related Document. The District is otherwise in compliance with the terms of any such plan in which the District participates to the extent any such failure to comply could reasonably be expected to materially and adversely affect the ability of the District to perform its obligations hereunder or under any other Related Document. Neither the District nor any employee benefit plan maintained by the District is subject to ERISA. The District is not subject to ERISA and maintains no Plans.

Section 4.21. Immunity. To the extent such obligations are not uncertain or in dispute, the District is not entitled to claim immunity on the grounds of sovereignty, or similar grounds, from (i) relief by writ of mandamus to perform its obligations under this Agreement, the Fee Letter, the Order, or the Notes or (ii) enforcement by writ of mandamus of its payment obligations with respect to any Notes or other amounts due under this Agreement or the Fee Letter.

Section 4.22. Anti-Corruption Laws. The District and, to the knowledge of the District, its respective officers, employees, directors, trustees and agents, that will act in any capacity in connection with or benefit from the transactions established by the Related Documents are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) the District or, to the knowledge of the District, any of its respective directors, officers, trustees or employees that will act in any capacity in connection with or benefit from the transactions established by the Related Documents, or (b) to the knowledge of the District any agent of the District that will act in any capacity in connections with or benefit from the transactions established by the Related Documents is a Sanctioned Person. No proceeds of the transactions contemplated by the Related Documents will violate Anti-Corruption Laws or applicable Sanctions.

ARTICLE V

COVENANTS OF THE DISTRICT

The District and the Board, as applicable, agree that during the term of this Agreement and while the Notes, the Loan Note or any obligation hereunder or under the Fee Agreement are Outstanding:

Section 5.01. Information. The District will deliver to Bank:

(a) the District within 180 days after the end of each Fiscal Year, a copy of the audited financial statements of the District prepared in accordance with generally accepted accounting principles applicable to independent school districts of the State of Texas such as the District, consistently applied, and audited by independent certified public accountants of recognized standing, including such information that is required by applicable Texas law and the rules of the Texas Education Agency from time to time promulgated and applicable to the District;

(b) concurrently with the delivery of the financial statements in (a) above, a no default certificate of the District from an Authorized Official in the form of Exhibit E hereto;

(c) promptly after the issuance thereof, copies of any prospectus, official statement, offering circular, placement memorandum, or similar or corresponding document, and any supplements thereto and updates and amendments thereof, that the District makes available in connection with the offering, issuance or incurrence of obligations secured by all or any portion of the Collateral, and, on request, copies of such other financial reports that the Board shall customarily and regularly provide to the public;

(d) forthwith upon the occurrence of any Event of Default a certificate of an Authorized Official setting forth the details thereof and the action which the Board is taking or proposes to take with respect thereto, a report showing the aggregate amount and maturities of Notes outstanding at the end of the preceding month and a summary of the aggregate principal amount of Notes issued, rolled over or retired in such period;

(e) promptly, and in any event within ten (10) Business Days, notice of any change (whether upward or downward) in any unenhanced long-term debt rating assigned by Moody's, Fitch or S&P (and any additional rating agency designated by the District with the written consent of the Bank) to any general obligation Indebtedness of the District;

(f) notice of (i) the existence and status of any litigation which individually or in the aggregate could, in the event of an unfavorable outcome, have a material adverse effect on (A) the financial condition or operations of the District or its performance of its obligations hereunder or under any of the Related Documents, (B) the Notes or the Loan Note, (C) the payment of the principal of and interest on the Notes, the Loan Note and all other amounts due under this Agreement, or (D) the enforceability or validity of any of the Related Documents, (ii) any change in any material fact or circumstance represented

or warranted in this Agreement or in any of the Related Documents, or (iii) any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect;

(g) as soon as available and in any event within forty-five (45) days after the end of each Fiscal Year, a copy of the annual budget of the District; and

(h) upon written request of the Bank, any other financial information reasonably requested.

Any of the above information required to be delivered to the Bank pursuant to (a)-(h) above may be provided in electronic form, if available, including by reference to such information as being available on the MSRB's information website (currently EMMA).

Section 5.02. Access to Records. The District will (i) furnish to the Bank such information regarding the financial condition, results of operations, or business of the District and its performance under this Agreement and the other Related Documents, as the Bank may reasonably request, (ii) upon provision of at least 48 hours prior notice, permit any officers, employees, or agents of the Bank to visit and inspect during the regular operating hours of the District any of the properties of the District and to discuss matters with the District's officers and accountants reasonably pertinent to the assets, liabilities, financial condition, results of operations, or business of the District, and (iii) permit the Bank to copy and make abstracts from any and all of said books and records, (except books and financial records the examination of which by the Bank is prohibited by law, information made confidential by law or by agreement with third parties, or by attorney or client privileges), all at such reasonable times as the Bank may reasonably request. All information received by or provided to the Bank pursuant to this Agreement, unless otherwise made public by the District or required by law to be disclosed, will be held as confidential information by the Bank.

Section 5.03. Limitation on Commercial Paper Notes. The District will not issue any Notes except in accordance with the Order.

Section 5.04. Proceeds of Commercial Paper Notes. The proceeds of the Notes or Loan Notes will be used by the District solely for the purposes described in the Order and herein. The District shall not use the proceeds of any credit extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose, in each case in violation of, or for a purpose which violates, or would be inconsistent with, Regulation T, U or X of the Board of Governors of the Federal Reserve System.

Section 5.05. Performance and Compliance with Other Covenants. The District shall fully and faithfully perform each of the covenants required of it pursuant to the provisions of the Related Documents.

Section 5.06. No Amendment of Certain Contracts or Orders. The District will not consent to or enter into any amendment, modification or supplement to, or waiver of any of the provisions of the Related Documents without the prior written consent of the Bank,

which consent will not unreasonably be withheld. The District will give the Bank notice as promptly as practicable (but in no event less than five (5) Business Days) of any proposed amendments to or modifications or waivers of any provisions of the Order and of any meeting of the Board at which any of the foregoing will be discussed or considered.

Section 5.07. Supplemental Orders and Further Assurances. The District will at any and all times, insofar as it may be authorized so to do by law, pass, make, do, execute, acknowledge, and deliver all and every such further resolutions, acts, assignments, recordings, filings, transfers, and assurances as may be required by law to maintain all and singular the rights, revenues, and other funds and the Collateral hereby pledged or assigned to the payment of the Notes or the Loan Note, or intended so to be, of which the District may become bound to pledge or assign and to carry out the intent and purpose of this Agreement and the other Related Documents.

Section 5.08. Indebtedness, Taxes and Liabilities. The District will pay all its indebtedness and obligations promptly and in accordance with its terms and pay and discharge or cause to be paid and discharged promptly all taxes, assessments, and governmental charges or levies imposed upon it or upon its income and profits, or upon any of its property, real, personal, or mixed, or upon any part thereof, before the same shall become in default, except for those matters which are reasonably being contested in good faith by appropriate action or proceedings or for which the District has established adequate reserves in accordance with generally accepted accounting principles applicable to governmental entities.

Section 5.09. Reserved.

Section 5.10. Compliance With Law. The District shall comply with all laws, ordinances, orders, rules, investment policies and guidelines and regulations (including without limitation, compliance with Environmental Laws and state securities laws in connection with the offering, sale and delivery of the Notes) that may be applicable to it if the failure to comply could have a material adverse effect on the properties, business revenues, condition (financial or other), results or operations of the District or on the security for any of the Notes or any obligation owed to the Bank hereunder or under the Fee Agreement, or the ability of the District to perform its obligations under this Agreement and the other Related Documents.

Section 5.11. Insurance. The District will maintain insurance with insurers of good standing, to the extent that such insurance is available, or self-insure (to the extent permitted by law), against risks, accidents or casualties against which and to the extent customarily insured against by political subdivisions of the State of Texas operating similar properties.

Section 5.12. Investments Generally. The District shall comply with the provisions of the Public Funds Investment Act (Chapter 2256, as amended, Texas Government Code).

Section 5.13. *Ratings*. The District will maintain at least two underlying long-term credit ratings on its general obligation Indebtedness from Moody's, S&P or Fitch (or such other rating agency designated by the District with the written consent of the Bank).

Section 5.14. *Notification of Liabilities*. The District shall notify the Bank of the occurrence of any actual or potential contingent liability which would have a materially adverse effect on the District's ability to perform its obligations under this Agreement and the other Related Documents.

Section 5.15. *Tax Exempt Program*. The District shall comply with the Order and maintain the tax-exempt status of its Notes.

Section 5.16. *Other Agreements*. The District shall not enter into any agreement which would be violated or breached by the performance of the District's obligations under this Agreement, other the Related Documents, or the Series A Commercial Paper Revolving Credit Agreement.

Section 5.17. *Levy of Taxes*. The District shall comply with the provisions of the Order regarding the levy of ad valorem taxes during each year during the term of this Agreement sufficient to provide for the timely payment of principal of and interest on the Notes and the (taking into account any other sources of funding that are lawfully available therefor) and shall levy taxes and take such further action to provide for the payment of the District's obligations under this Agreement, the Loan Note and the Notes.

Section 5.18. *Maintenance of Existence*. The District shall at all times preserve and maintain its existence as a school district under Chapter 45, Texas Education Code, as amended, or a successor statute.

Section 5.19. *Offering Document*. The District shall not refer to the Bank in any offering document or make any changes in reference to the Bank in any offering document without the Bank's prior written consent thereto (the Bank hereby giving its written consent to the reference to it in the Offering Memorandum as in effect on the Effective Date to the extent the same conforms to information provided by the Bank for inclusion in such Offering Memorandum) or an Official Statement identifying the Bank as the credit provider for the Commercial Paper Notes under this Agreement or the lender under the JPMorgan Revolving Credit Agreement.

Section 5.20. *Total Outstanding*. At no time shall the District permit the aggregate principal amount of the Notes and the Series A Commercial Paper Notes Outstanding and the Term Loans to exceed the Available Commitment.

Section 5.21. *Incorporation by Reference*. From and after the date hereof and so long as this Agreement is in effect, except to the extent compliance in any case or cases is waived in writing by the Bank pursuant to the terms hereof, the District agrees that it will, for the benefit of the Bank, comply with, abide by, and be restricted by all of the agreements, covenants, obligations and undertakings of the District contained in the Order and the other Related Documents, which provisions, together with the related definitions, and ancillary provisions, are hereby incorporated herein by reference, and made a part hereof to the same

extent and with the same force and effect as if the same had been herein set forth in their entirety and it will be deemed to continue in effect for the benefit of the Bank, without regard or giving effect to any amendment or modification of such provisions or any waiver of compliance therewith, no such amendment, modification or waiver are to any manner constitute an amendment, modification or waiver of the provisions thereof as incorporated herein without the prior written consent of the Bank.

Section 5.22. Issuing and Paying Agent. The District shall maintain the Bank as Paying Agent and Registrar for the Notes under the Order.

Section 5.23. Consolidation, Merger, etc. The District will not liquidate or dissolve or otherwise dispose of all or substantially all of its assets (whether in a single transaction or a series of transactions) or merge into another Person or permit one or more other Persons to consolidate with or merge into it, unless each of the following conditions shall have been fulfilled: (i) after giving effect to such disposition, consolidation or merger, no Default or Event of Default will have occurred and be continuing; (ii) the Person to which such disposition is made or the Person surviving such consolidation or merger (if such Person is not the District) assumes in writing, reasonably satisfactory in form and substance to the Bank, the performance of all of the obligations, covenants, agreements and conditions of this Agreement and the Related Documents; and (iii) the District shall have given to the Bank not less than 30 days' prior written notice of such disposition, merger or consolidation and furnished to the Bank (a) all such information concerning such disposition, consolidation or merger as the Bank shall have reasonably requested, and (b) a certificate of an appropriate officer of the District to the effect that each of the conditions precedent to such disposition, merger or consolidation contained in this Section 5.23 has been fulfilled.

Section 5.24. Payment Obligations. The District shall promptly pay or cause to be paid all amounts payable by it hereunder and under the other Related Documents, as applicable, according to the terms hereof or thereof.

Section 5.25. Swap Termination Payments. In no event shall any lien on the Collateral securing any swap termination payments be first in priority to or *pari passu* with the lien granted in support of the Notes and the obligations under the Order.

Section 5.26. Further Assurances. The District shall, upon the request of the Bank, from time to time, execute and deliver and, if necessary, file, register and record such further financing statements, amendments, confirmation statements and other documents and instruments and take such further action as may be reasonably necessary to effectuate the provisions of this Agreement and the Related Documents. The District will pay or cause to be paid all filing, registration and recording fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment of such instruments of further assurance, and all federal or state fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Agreement, the Related Documents and such instruments of further assurance.

Section 5.27. Maintenance of Approvals; Filings, Etc. The District shall at all times maintain in effect, renew and comply with all the terms and conditions of all consents,

licenses, approvals and authorizations as may be necessary or appropriate under any applicable law or regulation for its execution, delivery and performance of this Agreement and the other Related Documents.

Section 5.28. Accuracy of Information. All data, certificates, reports, opinions of counsel, documents and other written information furnished to the Bank, whether pursuant to this Agreement, or in connection with or pursuant to an amendment or modification of, or waiver under, this Agreement shall, at the time the same are so furnished, (i) be complete and correct in all material respects, and (ii) not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements contained therein not misleading, and the furnishing of the same to the Bank shall constitute a representation and warranty by the District to that effect. Each financial statement furnished to the Bank, whether pursuant to this Agreement, or in connection with or pursuant to an amendment or modification of, or waiver under, this Agreement, shall, at the time the same is so furnished, fairly present the financial condition and results of operations of the District.

Section 5.29. Immunity. To the extent permitted by applicable law and to the extent that it hereinafter has or acquires any such immunity, the District shall waive immunity on the grounds of sovereignty or similar grounds solely with respect to (i) relief by writ of mandamus to perform its obligations under this Agreement, or (ii) enforcement by writ of mandamus of its payment obligations with respect to the Notes, the Loan Note or other amounts due under this Agreement or the Fee Agreement.

ARTICLE VI

DEFAULTS AND REMEDIES

Section 6.01. Events of Default. One or more of the following events ("*Events of Default*") shall have occurred and be continuing:

(a) the District shall fail to pay (i) any amount on the Notes or the Loan Note when due or (ii) any other amount payable hereunder and under the Related Documents;

(b) any representation, warranty, certification, or statement made by the District in this Agreement or in any certificate, financial statement, or other document delivered pursuant to this Agreement shall prove to have been incorrect in any material respect when made or deemed to have been made;

(c) breach by the District of any covenant, agreement, or condition contained in Sections 5.01(d), 5.01(e), 5.03, 5.04, 5.06, 5.07, 5.13, 5.17, 5.18, 5.20, 5.23, 5.25 or 5.29 hereof;

(d) breach by the District of any other covenant, agreement, or condition (other than those referred to or contained in clauses (a), (b), or (c) above) contained in this Agreement or the Notes and the continuation thereof for more than forty-five (45) days;

(e) (i) one or more final unappealable judgments or orders for the payment of money which individually or in the aggregate exceed $10,000,000 shall be rendered

against the District and such judgment or order shall continue unsatisfied and unstayed for a period of 60 days, or (ii) the District shall have failed promptly to lift any execution, garnishment, or attachment pursuant to such judgment or order as, in the written opinion an Authorized Official, will impair the District's ability to carry on its business;

(f) the District shall fail to pay when due and payable (i) any principal of or interest on any general obligation Indebtedness (including, in each case, without limitation, any principal or sinking fund installments), and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, order, resolution or instrument providing for the creation of or concerning such Indebtedness; or any failure to pay principal or interest on any general obligation Indebtedness under any indenture, order, resolution or instrument providing for the creation of or concerning such Indebtedness shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to pay principal or interest on such Indebtedness is to accelerate, or to permit the acceleration of, the maturity of such Indebtedness;

(g) the District shall (i) commence a voluntary case, petition, or other proceeding or other action (x) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts or (y) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or the District shall make a general assignment for the benefit of its creditor or admit in writing its inability to pay its debts generally as they become due or shall become insolvent within the meaning of Section 101(32) of the United States Bankruptcy Code;

(h) a receiver, liquidator, custodian, or other official, appointed in an involuntary case or proceeding commenced against the District, appointed without consent or acquiescence of the District, takes charge of the District and such action as to the District is not stayed, dismissed, discharged, or vacated for a period of sixty (60) days;

(i) (i) an involuntary case or other proceeding shall be commenced against the District seeking (x) liquidation, reorganization, or other relief with respect to the District's bonds or other obligations under any bankruptcy, insolvency, or other similar law now or hereafter in effect or (y) the appointment of a custodian, receiver, liquidator, trustee or other similar official of the District, and such proceeding or case shall not be dismissed or stayed within sixty (60) days after the filing thereof, or (ii) an order of relief shall be entered against the District under federal bankruptcy laws as now or hereafter in effect;

(j) (i) any provision of this Agreement or any other Related Documents relating to the District's ability to make payments on the Notes, the Loan Note or other obligation hereunder or under the Fee Agreement or to raise funds to meet such payment obligations or the pledge of and lien on the Collateral, in any case, shall at any time for any reason cease to be valid and binding or fully enforceable on the District as a result of

federal or state legislative or administrative action, or shall be declared in a final non-appealable judgment by any court having jurisdiction over the District to be null and void, invalid, or unenforceable, (ii)(x) the validity or enforceability of any provision of this Agreement or any other Related Documents referred to in clause (i) of this subsection (j) shall be contested by the District, (y) the District shall deny that the District has any payment obligations on the Notes or the Loan Note or (z) the District shall repudiate such payment obligations or (iii) any material provision of this Agreement or any other Related Document other than the provisions described in clause (i) of this subsection (j) shall at any time for any reason cease to be valid and binding on the District as a result of federal or state legislative or administrative action, or shall be declared in a final non-appealable judgment by any court having jurisdiction over the District to be null and void, invalid, or unenforceable, or the validity or enforceability thereof shall be contested by the District;

(k) the Order shall be modified or amended in any way without the prior written consent of the Bank;

(l) S&P, Fitch and/or Moody's shall have (i) assigned any general obligation Indebtedness of the District a long-term rating below "BBB-" (S&P and Fitch) and "Baa3" (Moody's), or (ii) suspended or withdrawn ratings of the Commercial Paper Notes or any other general obligation Indebtedness of the District for credit related reasons;

(m) (i) the District shall impose a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any general obligation Modified Indebtedness of the District that ranks senior to or on a parity with the Notes or (ii) any Governmental Authority having appropriate jurisdiction over the District shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the Notes, the Loan Note or on all general obligation Indebtedness of the District; or

(n) an "event of default", as defined in any Related Document, shall (subject to any materiality standard, periods of grace, or opportunity to cure as may be provided in the subject Related Document) have occurred; or

(o) an "event of default" under the Series A Commercial Paper Revolving Credit Agreement shall have occurred.

Section 6.02. Remedies. (a) Upon the occurrence of any Event of Default, the Commitment shall immediately terminate, and the Bank shall have no obligation to purchase Notes hereunder or to make a Term Loan.

(b) Upon the occurrence of any Event of Default, the Bank may declare the Loan Note and all accrued interest thereon, to be forthwith due and payable, whereupon the Loan Note and such interest and all such amounts shall become and be forthwith due and payable to the extent permitted by law without presentment, demand, protest or further

notice of any kind, all of which are hereby expressly waived by the District; *provided*, *however*, payment by the District is to be made when such amounts are declared due and payable, from the District's ad valorem debt service tax revenues lawfully available for such purpose, but to the extent the District determines such funds are not available, shall not be due and payable prior to February 1 of the calendar year immediately following the date the Board next adopts an order levying ad valorem taxes for the payment thereof.

(c) Upon the occurrence of any Event of Default, interest shall be charged on the unpaid principal balance of the Notes and the Loan Note at the Default Rate commencing on the date on which the event occurred, after any applicable cure or grace period, giving rise to such Event of Default. Further, upon failure by the District to pay any other amount payable hereunder, such unpaid other amounts shall accrue interest at the Default Rate, commencing on the date on which the event occurred; *provided*, *however*, payment by the District of such additional interest due to the Bank shall be made when such amounts are due and payable, from the District's ad valorem debt service tax revenues lawfully available for such purpose, but to the extent the District determines such funds are not available, shall not be due and payable prior to February 1 of the calendar year immediately following the date the Board next adopts an order levying ad valorem taxes for the payment thereof.

(d) Upon the occurrence of a Default under Section 6.01(h) or (i) hereof prior to the expiration of the 60-day period described in such sections, the obligations of the Bank to purchase Notes hereunder shall be suspended and remain suspended until the case, proceeding, order, or other action referred to such section is either dismissed or stayed within sixty (60) days from the commencement of such case, proceeding, order, or other action or the termination of this Available Commitment occurs, whichever is first. In the event such case, proceeding, order or other action is terminated prior to the 60-day period, the obligations of the Bank to make purchase Notes hereunder shall be reinstated and the terms of this Agreement will continue in full force and effect (unless the obligations of the Bank to purchase Notes hereunder shall have otherwise expired or terminated in accordance with the terms hereof or there has occurred an Event of Default under another clause of Section 6.01) as if there had been no such suspension.

(e) Failure to take action in regard to one or more Defaults or Events of Default shall not constitute a waiver of, or the right to take action in the future in regard to, such or subsequent Defaults or Events of Default.

Section 6.03. Suits at Law or in Equity and Mandamus. In the case one or more Events of Default shall occur, then and in every such case the Holders of the Notes shall be entitled to proceed to protect and enforce such Holders' rights by such appropriate judicial proceeding as such Holder shall deem most effectual to protect and enforce any such right, either by suit, in equity, or by action at law, whether for the specific performance of any covenant or agreement contained in this Agreement, or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the Holder by this Agreement or the Notes, the Order or by law. The provisions of this Agreement shall be a contract with each and every Holder and the duties of the District may be enforceable by

any Holder by mandamus or other appropriate suit, action, or proceeding in any court of competent jurisdiction.

Section 6.04. Cross Defaults. If there shall be an event of default under any other document authorizing the issuance of any general obligation bonds by the District, the District shall not issue any additional Notes until such event of default is cured or remedied.

Section 6.05. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Bank or the Holders is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised at any time or from time to time, and as often as may be necessary, by the Bank or any Holder.

ARTICLE VII

MISCELLANEOUS

Section 7.01. Net of Taxes, Etc.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of the District hereunder or under any other Related Document shall to the extent permitted by Applicable Law be made free and clear of and without reduction or withholding for any Taxes. If, however, Applicable Law requires the District or the Bank to withhold or deduct any Tax, such Tax shall be withheld or deducted in accordance with such Applicable Law as determined by the District or the Bank, as the case may be, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If the District or the Bank shall be required by the Code to withhold or deduct any Taxes, including both United States Federal backup withholding and withholding taxes, from any payment, then (A) the Bank shall withhold or make such deductions as it shall determine to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) the Bank shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the Code, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable by the District shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section) the Bank receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the District. Without limiting the provisions of subsection (a) above, the District shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with Applicable Law.

(c) Tax Indemnifications.

(i) Without limiting the provisions of subsection (a) or (b) above, the District shall, and does hereby, to the extent permitted by the Laws of the State of Texas, indemnify the Bank and shall make payment in respect thereof within 30 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) withheld or deducted by the District or the Bank, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of any such payment or liability delivered to the District by the Bank shall be conclusive absent manifest error.

(ii) Without limiting the provisions of subsection (a) or (b) above, the Bank shall, and does hereby, indemnify the District, and shall make payment in respect thereof within 30 days after written demand therefor, against any and all Taxes and any and all related losses, claims, liabilities, penalties, interest and expenses (including the fees, charges and disbursements of any counsel for the District) incurred by or asserted against the District by any Governmental Authority as a result of the failure by the Bank to deliver, or as a result of the inaccuracy, inadequacy or deficiency of, any documentation required to be delivered by Bank to the District pursuant to subsection (e).

(d) Evidence of Payments. Upon request by the District or the Bank, as the case may be, after any payment of Taxes by the District or by Bank to a Governmental Authority as provided in this Section 7.01, the District shall deliver to the Bank or the Bank shall deliver to the District, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Applicable Law to report such payment or other evidence of such payment reasonably satisfactory to the District or the Bank, as the case may be.

(e) Status of Bank; Tax Documentation.

(i) Bank shall deliver to the District, at the time or times prescribed by Applicable Law or when reasonably requested by the District, such properly completed and executed documentation prescribed by Applicable Law or by the taxing authorities of any jurisdiction and such other reasonably requested information as will permit the District to determine (A) whether or not payments made hereunder or under any other

Related Document are subject to Taxes, (B) if applicable, the required rate of withholding or deduction, and (C) the Bank's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of all payments to be made to the Bank by the District pursuant to this Agreement or otherwise to establish Bank's status for withholding tax purposes in the applicable jurisdiction.

(ii) Without limiting the generality of the foregoing, if the District is resident for tax purposes in the United States, the Bank shall deliver to the District executed originals of Internal Revenue Service Form W-9 or such other documentation or information prescribed by applicable Laws or reasonably requested by the District as will enable the District to determine whether or not the Bank is subject to backup withholding or information reporting requirements.

(iii) Bank shall promptly (A) notify the District of any change in circumstances which would modify or render invalid any claimed exemption or reduction, and (B) take such steps as shall not be materially disadvantageous to it, in the reasonable judgment of the Bank, and as may be reasonably necessary (including the re designation of its Lending Office) to avoid any requirement of Applicable Laws of any jurisdiction that the District make any withholding or deduction for taxes from amounts payable to the Bank.

(f) Survival. All of the District's obligations under this Section 7.01 shall survive termination of the Commitment and repayment of all other Obligations hereunder and under the Fee Agreement

Section 7.02. Increased Costs.

(a) In the event that after the date of the execution hereof any Change in Law shall either:

(i) limit the deductibility of interest on funds obtained by the Bank to pay any of its liabilities or subject the Bank to any tax, duty, charge, deduction or withholding on or with respect to payments relating to the Notes or any Banking Arrangements, or any amount paid or to be paid by the Bank hereunder or under the Fee Agreement (other than any tax measured by or based upon the overall net income of the Bank imposed by any jurisdiction having control over the Bank);

(ii) impose, modify, require, make or deem applicable to the Bank any reserve requirement, capital requirement, special deposit requirement, insurance assessment or similar requirement against any assets held by, deposits with or for the account of, or loans or commitments by, a domestic office of the Bank;

(iii) change the basis of taxation of payments due the Bank under this Agreement, the Fee Agreement, the Notes, the Loan Note or any Banking

Arrangements (other than by a change in taxation of the overall net income of the Bank); or

(iv) impose upon the Bank any other condition with respect to any amount paid or payable to or by the Bank or with respect to this Agreement, the Fee Agreement, the Notes, the Loan Note or any Banking Arrangements;

(v) and the result of any of the foregoing shall be to increase the cost to the Bank of extending, issuing or maintaining any of the Banking Arrangements or to reduce any amount (or the effective return on any amount) received or receivable by the Bank in connection with the Banking Arrangements (which increase in cost or reduction in yield shall be the result of the Bank's reasonable allocation, in a nondiscriminatory manner among borrowers having obligations to the Bank similar to those of the District, of the aggregate of such cost increases or yield reductions resulting from such event), then, to the extent permitted by law, the District shall pay to the Bank, from time to time as specified by the Bank, additional amounts which shall be sufficient to compensate the Bank for all such increased costs or reductions in yield and shall be paid to the Bank as provided for in clause (d) below.

(b) Capital Adequacy. If the Bank shall have determined that a Change in Law has or would have the effect of reducing the rate of return on capital of the Bank as a consequence of its obligations hereunder to a level below that which the Bank could have achieved but for such adoption, change or compliance (taking into consideration the policies of the Bank with respect to capital adequacy) by an amount deemed by the Bank to be material, upon written request of the Bank and to the extent permitted by law, the District shall pay to the Bank from time to time, as specified by the Bank, such additional amount or amounts as will compensate the Bank for such reduction from the date of such Change in Law together with interest on each such amount from the date payment is demanded until the earlier of the date of payment in full as provided in clause (c) below.

(c) Certificates for Reimbursement. All payments of amounts referred to in paragraphs (a) and (b) of this Section shall be due thirty (30) calendar days following the District's receipt of notice thereof. Interest on the sums due as described in paragraphs (a) and (b) of this Section 7.02, shall begin to accrue from the date when the payments were first due and shall otherwise be payable in accordance with Section 2.13 hereof; provided, that from and after the required date of payment, interest shall begin to accrue on such obligations at a rate per annum equal to the Default Rate until such delinquent payments have been paid in full. A certificate as to such increased cost, increased capital or reduction in return incurred by the Bank as a result of any event mentioned in this Section 7.02 setting forth, in reasonable detail, the basis for calculation and the amount of such calculation shall be submitted by the Bank to the District and shall be conclusive (absent manifest error) as to the amount thereof. In making the determinations contemplated by the above referenced certificate, the Bank may make such reasonable estimates, assumptions, allocations and the like that the Bank in good faith determines to be appropriate.

(d) Notwithstanding anything contained in Section 7.02, the District shall have no liability to the Bank for any increased costs, increased capital or reduction in return to the extent incurred by the Bank more than one (1) year prior to the date the above described certificate is given to the District with respect thereto (the "Cut-Off-Date"), except where (A) the Bank, through no fault of its own (including dereliction of duty to know), had no actual knowledge of the action resulting in such increased costs as of the Cut-Off-Date or (B) such increased costs apply to the Bank retroactively to a date prior to the Cut-Off-Date. If the Bank shall impose increased costs pursuant to this Section 7.02 then the District shall be able to terminate this agreement as provided in Section 2.10 hereof; provided however, such termination shall be permitted without payment of a Termination Fee.

(e) Survival. All of the District's obligations under this Section 7.02 shall survive termination of the Commitment and repayment of all other Obligations hereunder and under the Fee Agreement.

Section 7.03. Notices and Accounts. Except as otherwise provided herein, all notices, requests, and other communications to any party hereunder shall be in writing (including telecopy, bank wire, or similar writing) and shall be given to such party at its address set forth on the signature pages hereof or such other address (physical or electronic) or telecopy number as such party may hereafter specify for the purpose of giving notice. Each such notice, request or other communication shall be effective (i) if given by telecopy, when such telecopy is transmitted to the telecopy number hereafter specified by any party for the purpose of giving notice and the appropriate acknowledgment is received, (ii) if given by mail, 72 hours after such communication is deposited in the United States mail with first class postage prepaid, addressed as aforesaid, or (iii) if given by any other means, when delivered at the address specified in this Section; *provided*, *however*, that notices to the Bank under Article II hereof shall not be effective until received. Notices to other parties shall be given at the following addresses or telecopy numbers or such other address or telecopy number hereinafter specified by such parties:

If to the District:

Fort Bend Independent School District
16431 Lexington Boulevard
Sugar Land, Texas 77479
Attention: Mr. Bryan Guinn
Chief Financial Officer
Telephone: (281) 634-5048
Email: Bryan.Guinn@fortbendisd.com

With a copy to: Suzanne.Owen@fortbendisd.com

If to the Bank:

All Notices, Information required under Section 5.01 and a copy of each Request for Purchase:

JPMorgan Chase Bank, National Association
383 Madison Avenue, Floor 3
Mail Code: NY1-M165
New York, NY 10179
Attention: Public Finance, Justin Wahn
Telephone: (212) 270-3813
Facsimile: (917) 456-3564
E-mail: justin.d.wahn@jpmorgan.com

Each Request for Purchase/Continuation and a copy of each other Notice:

JPMorgan Chase Bank, National Association
JPM-Delaware Loan Operations
500 Stanton Christiana Road, NCC5, Floor 01
Newark, DE 19713-2107
Attention: Contact Name – PFG Servicing
Telephone: Contact Number – 302-634-9588
Email/Fax: PFG_Servicing@jpmorgan.com

In each case, with a copy to:
E-mail: public.finance.notices@jpmorgan.com

If to S&P:

S&P Global Ratings
25 Broadway
New York, New York 10004
Attention: Municipal Commercial Paper Ratings
Telephone: (212) 208-1811
Telecopy: (212) 412-0506

If to Fitch:

Fitch Ratings, Inc.
33 Whitehall Street
New York, New York 10004
Attention: Public Finance

Section 7.04. No Waivers. No failure or delay by the Bank or other Holders in exercising any right, power, or privilege hereunder or under the Notes, the Agreement, the Order or otherwise shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power,

or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 7.05. Expenses. The District shall pay (i) to the Bank all reasonable out-of-pocket expenses of the Bank, including the costs of legal counsel to the Bank, in connection with the preparation of this Agreement as set forth in the Fee Agreement, (ii) the reasonable fees and disbursements of counsel to the Bank with respect to advising the Bank as to the rights and responsibilities under this Agreement and the Related Documents after the occurrence of a Default or an Event of Default, and (iii) all reasonable costs and expenses, if any, in connection with any amendment, modifications or waivers of the provisions hereof or the enforcement of this Agreement and any other documents which may be delivered in connection herewith or therewith, including in each case the reasonable fees and disbursements of counsel to the Bank. In addition, the District shall pay any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution, delivery, filing, and recording of this Agreement and the security described in the Related Documents and agrees, to the extent permitted by law, to hold the Bank harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such taxes and fees. Additionally, the District agrees, to the extent permitted by applicable law, to pay, after the occurrence of an Event of Default, all costs and expenses (including, without limitation, attorneys' fees, costs of settlement and out-of-pocket travel expenses) incurred by the Bank in enforcing any obligations or in collecting any payments due from the District hereunder by reason of such Event of Default or in connection with any refinancing or restructuring of the credit arrangements provided under this Agreement in the nature of a "workout" or of any insolvency or bankruptcy proceedings. The amounts set forth in (i) and (ii) above are payable within 30 days of receipt by the District of an invoice of such fees and expenses (following final execution of this Agreement).

Section 7.06. Amendments or Modification. Any provision of this Agreement may be amended or modified if, but only if, such amendment or modification is in writing and is signed by the District and the Bank. No amendment or modification shall, unless in writing and signed by all parties, do any of the following: (a) reduce the principal of, or interest on the Notes or reduce any fees or amounts payable to the Bank hereunder, (b) postpone any date fixed for any payment of principal of any Notes or any fees or other amounts payable to the Bank hereunder. No amendment, waiver or consent shall, unless in writing and signed by the Bank, affect the rights or duties of the Bank under this Agreement or any Related Document.

Section 7.07. Severability. Any provision of this Agreement which is prohibited, unenforceable, or not authorized shall be ineffective to the extent of such prohibition, unenforceability, or nonauthorization without invalidating the remaining provisions hereof.

Section 7.08. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

Section 7.09. Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto

and hereto were upon the same instrument. Complete sets of counterparts shall be lodged with the District and the Bank.

Section 7.10. *Payments*. All payments made or advanced under this Agreement shall be in United States currency only.

Section 7.11. *Governing Laws*. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Texas; provided, however, that the obligations of the Bank under this Agreement shall be governed by the laws of the State of New York.

Section 7.12. *Successor and Assigns, Participation*. (a) The Bank's rights and obligations under this Agreement may not be assigned by the Bank, other than by operation of law to a successor or merged institution, unless the District has given its consent to such assignment, which consent shall be evidenced by a writing signed by an Authorized Official and shall not be unreasonably withheld. If such conditions have been satisfied and the assignor and assignee have consummated the assignment, then (i) the assignee shall be a Bank for all purposes hereunder; (ii) the assignor shall have no further obligation hereunder with respect to the assigned portion of the Commitment; (iii) the assignor shall deliver its Notes to the District; (iv) the District shall pay the assignor all unpaid accrued interest on the Notes; and (v) the District shall execute and deliver to the assignee new Notes, payable to the order of the assignee, dated the date of such assignment and in the maximum principal amount of the assignee's portion of the Notes. The District may not assign its rights or obligations under this Agreement, the Notes or the Fee Agreement.

(b) The District agrees that the Bank may enter into participation agreements with participants upon giving written notice to, but without the consent of, the District. Accordingly, the District confirms that all of its representations, warranties, covenants, certifications, and obligations under this Agreement, the Fee Agreement, the Loan Note and the Notes, as well as all rights under the lien and pledge securing the payment of the Notes and granted to the Bank pursuant to the Order and Section 2.14 of this Agreement, are for the benefit of the participants as well as for the benefit of the Bank. No assignee, participant, or other transferee of the Bank's rights shall be entitled to receive any greater payment under Section 7.01 or 7.02 than the Bank would have been entitled to receive with respect to the rights transferred, unless such transfer is made with the District's prior written consent to that effect. In the event of any such grant by the Bank of a participation to a participant, the Bank shall remain responsible for the performance of its obligations hereunder and the District shall continue to deal solely and directly with the Bank. No such participation shall release or relieve the Bank of its obligations hereunder. The Bank shall make all Advances with its own funds whether or not it has entered into participation agreements.

(c) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, participants to the extent provided in subsection (b) of this Section and, to the

extent expressly contemplated hereby, the related parties of the Bank) any legal or equitable right, remedy or claim under or by reason of this Agreement.

Section 7.13. Liability of the Bank. NEITHER THE BANK NOR ANY OF ITS OFFICERS OR DIRECTORS SHALL BE LIABLE OR RESPONSIBLE FOR (A) THE USE WHICH MAY BE MADE OF ANY MONEY MADE AVAILABLE BY THE BANK IN ACCORDANCE WITH THIS AGREEMENT OR FOR ANY ACTS OR OMISSIONS OF THE ISSUING AND PAYING AGENT IN CONNECTION THEREWITH; (B) THE VALIDITY, SUFFICIENCY, OR GENUINENESS OF ANY DOCUMENTS, DETERMINED IN GOOD FAITH BY THE BANK TO BE VALID, SUFFICIENT OR GENUINE, OR OF ANY ENDORSEMENT(S) THEREON, EVEN IF SUCH DOCUMENTS SHOULD IN FACT PROVE TO BE IN ANY OR ALL RESPECTS INVALID, INSUFFICIENT, FRAUDULENT, OR FORGED; (C) PAYMENT BY THE BANK AGAINST PRESENTATION OF DOCUMENTS DETERMINED IN GOOD FAITH BY THE BANK TO BE VALID, SUFFICIENT OR GENUINE, WHICH DO NOT STRICTLY COMPLY WITH THE TERMS OF THIS AGREEMENT; OR (D) ANY OTHER CIRCUMSTANCES WHATSOEVER IN MAKING OR FAILING TO MAKE PAYMENT UNDER THIS AGREEMENT, EXCEPT ONLY THAT THE DISTRICT SHALL HAVE A CLAIM AGAINST THE BANK, AND THE BANK SHALL BE LIABLE TO THE DISTRICT, TO THE EXTENT, BUT ONLY TO THE EXTENT, OF ANY DIRECT, AS OPPOSED TO CONSEQUENTIAL OR PUNITIVE, DAMAGES SUFFERED BY THE DISTRICT WHICH THE DISTRICT PROVES WERE CAUSED BY THE BANK'S NEGLIGENT OR WILLFUL FAILURE TO PAY UNDER THIS AGREEMENT AFTER THE PRESENTATION TO THE BANK OF DOCUMENTS STRICTLY COMPLYING WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT. IN FURTHERANCE, AND NOT IN LIMITATION OF THE FOREGOING, THE BANK MAY ACCEPT DOCUMENTS THAT APPEAR ON THEIR FACE TO BE IN ORDER WITHOUT RESPONSIBILITY FOR FURTHER INVESTIGATION UNLESS THE BANK HAS RECEIVED ACTUAL NOTICE OR INFORMATION TO THE CONTRARY.

Section 7.14. Indemnification. IN ADDITION TO ANY AND ALL RIGHTS OF REIMBURSEMENT, INDEMNIFICATION, SUBROGATION, OR ANY OTHER RIGHTS PURSUANT HERETO OR UNDER LAW OR EQUITY, THE DISTRICT HEREBY AGREES, TO THE EXTENT PERMITTED BY LAW, TO INDEMNIFY AND HOLD HARMLESS THE BANK AND ITS OFFICERS, DIRECTORS, AND AGENTS (THE "*INDEMNIFIED PARTIES*") FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, LOSSES, LIABILITIES, REASONABLE COSTS, OR REASONABLE EXPENSES WHATSOEVER (INCLUDING REASONABLE ATTORNEYS' FEES OF COUNSEL FOR THE INDEMNIFIED PARTIES THAT IS NOT AN EMPLOYEE OF AN INDEMNIFIED PARTY OR AN AFFILIATE) WHICH THEY MAY INCUR (OR WHICH MAY BE CLAIMED AGAINST THEM BY ANY PERSON OR ENTITY WHATSOEVER) AS A RESULT OF (A) ANY UNTRUE STATEMENT OR ALLEGED UNTRUE STATEMENT OF ANY MATERIAL FACT CONTAINED OR INCORPORATED BY REFERENCE IN THE INFORMATION SUPPLIED BY THE DISTRICT TO THE BANK IN CONNECTION WITH THE PERFORMANCE OF ITS DUTIES UNDER THIS AGREEMENT OR THE RELATED DOCUMENTS, INCLUDING ANY DISCLOSURE DOCUMENT, OR THE OMISSION OR ALLEGED OMISSION TO STATE IN SUCH INFORMATION A MATERIAL FACT NECESSARY TO MAKE SUCH STATEMENTS, IN THE LIGHT OF CIRCUMSTANCES UNDER WHICH THEY ARE OR WERE MADE, NOT MISLEADING; OR (B) THE EXECUTION AND DELIVERY AND PERFORMANCE OF THIS AGREEMENT AND THE NOTES AND THE TRANSACTIONS DESCRIBED HEREIN OR THEREIN OR PAYMENT OR FAILURE TO PAY HEREUNDER; *PROVIDED*, *HOWEVER*, THAT THE DISTRICT SHALL NOT BE REQUIRED TO INDEMNIFY ANY INDEMNIFIED PARTY FOR ANY CLAIMS, DAMAGES, LOSSES, LIABILITIES, COSTS, OR EXPENSES TO THE EXTENT, BUT ONLY TO THE EXTENT, CAUSED BY THE INDEMNIFIED PARTY'S NEGLIGENCE OR WILLFUL MISCONDUCT. NOTHING UNDER THIS SECTION

IS INTENDED TO LIMIT THE DISTRICT'S PAYMENT OBLIGATIONS CONTAINED ELSEWHERE IN THIS AGREEMENT. THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

Section 7.15. Emailed Documents. At the request of the District, this Agreement provides that demands for payment hereunder may be presented to the Bank by, among other methods, email. The District acknowledges and assumes all risks relating to the use of such emailed demands for payment (i) which are emailed by the District or Issuing and Paying Agent by an authorized representative of such party.

Section 7.16. Term of the Agreement. The term of this Agreement shall be until the payment in full of all principal of and interest on the Notes and the Loan Note and all other amounts payable under this Agreement and the Fee Agreement; *provided*, *however*, that notwithstanding any termination of this Agreement, the provisions of Sections 7.01, 7.02, 7.04, 7.05, 7.12, 7.13 and 7.18 shall survive payment of the Notes and the other obligations hereunder and under the Fee Agreement and shall remain in full force and effect.

Section 7.17. Entire Agreement. THIS AGREEMENT AND THE RELATED DOCUMENTS CONSTITUTE THE ENTIRE AGREEMENT BETWEEN THE PARTIES HERETO WITH RESPECT TO THE TRANSACTIONS CONTEMPLATED HEREBY AND SUPERSEDE AND ARE IN FULL SUBSTITUTION FOR ANY AND ALL PRIOR AGREEMENTS AND UNDERSTANDINGS BETWEEN SAID PARTIES RELATING TO SUCH TRANSACTIONS.

THIS AGREEMENT AND THE RELATED DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN AGREEMENTS BETWEEN THE PARTIES.

Section 7.18. Waiver of Jury Trial. This Section concerns the resolution of any controversies or claims between the parties, whether arising in contract, tort, or by statute, including but not limited to, controversies or claims that arise out of or relate to: (i) this Agreement (including any renewals, extensions, or modifications); or (ii) any Related Document (collectively, a "*Claim*"). For the purposes of this provision only, the term "parties" shall include any parent corporation, subsidiary, or affiliate of the bank involved in the servicing management, or administration of any obligation described or evidenced by this Agreement and the Related Documents. TO THE EXTENT PERMITTED BY LAW, THE PARTIES IRREVOCABLY AND VOLUNTARILY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY CLAIM. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THIS AGREEMENT.

Section 7.19. Patriot Act. The Lender is subject to the Patriot Act (as hereinafter defined) and hereby notifies the District that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Bank is required to obtain, verify, and record information that identifies the District which information includes the name and address of the District and other information that will allow the Bank to identify the District in accordance with the Patriot Act.

Section 7.20. Right of Setoff. If an Event of Default shall have occurred and be continuing, the Bank and its Affiliates are hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by the Bank or any such affiliate to or for the credit or the account of the District or any other party against any and all of the obligations of the District or such party now or hereafter existing under this Agreement or any other Related Document to the Bank, irrespective of whether or not the Bank shall have made any demand under this Agreement or any other Related Document and although such obligations of the District or such party may be contingent or unmatured or are owed to a branch or office of the Bank different from the branch or office holding such deposit or obligated on such indebtedness. The rights of the Bank and its affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that the Bank or its affiliates may have. The Bank agrees to notify the District promptly after any such setoff and application, *provided* that the failure to give such notice shall not affect the validity of such setoff and application. The Bank's right of set off under this Section 7.20 shall not apply to the District's CIGNA Flexible Spending Account and CIGNA Health Plan Account.

Section 7.21. Payments Set Aside. To the extent that any payment by or on behalf of the District is made to the Bank, or the Bank exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Bank in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred.

Section 7.22. Assignment to Federal Reserve Bank. The Bank may assign and pledge all or any portion of the obligations owing to it hereunder, under the Notes, the Loan Note or under the Fee Agreement to any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any Operating Circular issued by such Federal Reserve Bank, *provided* that any payment in respect of such assigned obligations made by the District to the Bank in accordance with the terms of this Agreement shall satisfy the District's obligations hereunder in respect of such assigned obligation to the extent of such payment. No such assignment shall release the Bank from its obligations hereunder.

Section 7.23. No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Related Document), the District acknowledges and agrees that: (i) (A) the arranging and other services regarding this Agreement provided by the Bank are arm's length commercial transactions between the District, on the one hand, and the Bank on the other hand, (B) the District has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the District is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Related Documents; (ii)

(A) the Bank has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor (including as a municipal advisor), agent or fiduciary for the District, or any other Person and (B) the Bank does not have any obligation to the District with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Related Documents; and (iii) the Bank and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the District, and the Bank does not have any obligation to disclose any of such interests to the District. To the fullest extent permitted by laws of the State of Texas, the District hereby waives and releases any claims that it may have against the Bank with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

Section 7.24. Dealing with the District. The Bank and its Affiliates may accept deposits from, extend credit to and generally engage in any kind of banking, trust or other business with the District regardless of the capacity of the Bank hereunder.

Section 7.25. Counterparts/Electronic Signature.

This Amendment may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument. The parties agree that the electronic signature of a party to this Amendment shall be as valid as an original signature of such party and shall be effective to bind such party to this Amendment. The parties agree that any electronically signed document (including this Amendment) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or "printouts," if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, "electronic signature" means a manually signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a "pdf" (portable document format) or other replicating image attached to an e mail message; and "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

Section 7.26. Acknowledgement Regarding Any Supported QFCs.

To the extent that this Agreement provides support, through a guarantee or otherwise, for Swap Agreements or any other agreement or instrument that is a QFC (such support "QFC Credit Support" and each such QFC a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below

applicable notwithstanding that the Related Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Related Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Related Documents were governed by the laws of the United States or a state of the United States.

ARTICLE VIII

BANK REPRESENTATIONS

Section 8.01. Bank Representations Regarding Form 1295. The Bank hereby certifies that as a publicly traded business entity or a wholly owned subsidiary of such an entity it is exempt under Section 2252.908(c)(4) of the Texas Government Code..

Section 8.02. Bank Representation as to Purchase of Notes.

(a) The Bank is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and has the power and authority to enter into this Agreement and perform its obligations hereunder.

(b) The Bank has the corporate power, and has taken all necessary corporate action, to authorize the Agreement and to execute and deliver the Agreement and to perform its obligations under this Agreement in accordance with its terms.

(c) This Agreement has been duly executed and delivered by one or more of its duly authorized officers and is its legal, valid and binding obligation, enforceable in accordance with its terms.

(d) The Bank has sufficient knowledge and experience in business and financial matters in general, and investments such as the Notes in particular, to enable the Bank to evaluate the merits and the risks of the Notes, the credit of the District, the collateral and the terms of the Notes, and that the Bank has made its own independent credit analysis and decision to purchase the Notes based an independent examination and evaluation of the transaction and the information deemed appropriate.

(e) The Bank acknowledges that no credit rating has been sought or obtained with respect to the Notes.

(f) The Bank acknowledges that no official statement has been prepared for the Notes, and that the District will not be entering into a continuing disclosure agreement to provide ongoing disclosure respecting the Notes. The Bank has had an opportunity to make inquiries of, and receive answers from, such officers, employees, agents and attorneys of the District and has been offered copies of or full access to all documents relating to the Notes and all records, reports, financial statements and other information concerning the District pertinent to the source of payment for the Notes as deemed material by the Bank, which the Bank as a reasonable investor, has requested and to which the Bank, as a reasonable investor, would attach significance in making an investment decision.

(g) The Bank certifies that, as of the date hereof, it is a "qualified institutional buyer" as defined in Rule 144A promulgated under the Securities Act of 1933, as amended (the "Act").

(h) The Bank confirms that its investment in the Notes constitutes an investment that is suitable for and consistent with its investment program and that the Bank is able to bear the economic risk of an investment in the Notes, including a complete loss of such investment.

(i) The Bank is purchasing the Notes solely for its own account for investment purposes only, and not with a view to, or in connection with, any distribution, resale, pledging, fractionalization, subdivision or other disposition thereof (subject to the understanding that disposition of Bank's property will remain at all times within its control), and agrees not to sell or otherwise transfer the Notes except to a transferee in compliance the terms and conditions of Section 6 of the Order.

(j) The Bank understands that the Notes (i) has not been registered under the Act, and (ii) has not been registered or qualified under any state securities or "Blue Sky" laws, and that the Order has not been qualified under the Trust Indenture Act of 1939, as amended.

Section 8.03. Bank as Paying Agent/Registrar. The Bank hereby agrees to serve as Issuing and Paying Agent, Paying Agent and Registrar for the Notes under the Order and, in such capacities, agrees to comply with the applicable provisions of the Order and with the requirements of Texas Government Code, Chapter 1203 that result from such service in such capacity for the Notes.

Section 8.04. Texas Government Code Section 2271.002 (No Boycott of Israel) Verifications.

The Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent the Agreement is a contract for goods or services, will not boycott Israel during the term of the Agreement. The

foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. As used in this Section the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

Section 8.05. Texas Government Code Section 2252.152 (Sanctioned Company) Verifications.

The Bank hereby represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended, and posted on any of the following pages of such officer's internet website:

https://comptroller.texas.gov/purchasing/publications/divestment.php.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. As used in this Section the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

Section 8.06. Section 2274.002 Texas Government Code (No Discrimination Against Fossil-Fuel Companies) Verifications.

To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to enable the District to comply with such Section and to the extent such Section does not contravene applicable federal law or the Texas Constitution. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does

not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above. As used in this Section, the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit."

Section 8.07. Section 2274.002 Texas Government Code (No Discrimination Against Firearm Entities and Firearm Trade Associations) Verifications.

To the extent the Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session ("SB 19")), Texas Government Code, as amended, the Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. The foregoing verification is made solely to enable the District to comply with such Section and to the extent such Section does not contravene applicable federal law or the Texas Constitution. As used in this Section, the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

As used in the foregoing verification and the following definitions,

a. 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by SB 19), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association,

b. 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by SB 19), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by SB 19, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by SB 19, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are

not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by SB 19, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

c. 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by SB 19), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

As used in this Section, the Bank understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

Section 8.08. Attorney General Standing Letter.

In addition to the verifications provided above, the Bank verifies that a standing letter has been filed with the Office of the Texas Attorney General with respect to the verifications, representations and covenants in Sections 8.04 through 8.07 made by the Bank, as required by the procedural rules of the Texas Attorney General, and such letter remains in effect as of the Effective Date of this Agreement.

Section 8.09. Bank Consent. The Bank hereby consents to adoption of the Order.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

JPMorgan Chase Bank, National Association

By _____
Name: Justin Wahn
Title: Executive Director

EXHIBIT A

FORM OF PURCHASE REQUEST

[DATE]

JPMorgan Chase Bank, National Association
JPM-Delaware Loan Operations
500 Stanton Christiana Road, NCC5, Floor 01
Newark, DE 19713-2107
Attention: Contact Name – PFG Servicing
Telephone: Contact Number – 302-634-9588
Email/Fax: PFG_Servicing@jpmorgan.com

JPMorgan Chase Bank, National Association
383 Madison Avenue, Floor 3
Mail Code: NY1-M165
New York, NY 10179
Attention: Public Finance, Justin Wahn
Telephone: (212) 270-3813
Facsimile: (917) 456-3564
E-mail: justin.d.wahn@jpmorgan.com

Copy:
E-mail: public.finance.notices@jpmorgan.com

Re: Fort Bend Independent School District (the "District") Unlimited Tax Commercial Paper Notes, Series B (the "Notes") and the Amended and Restated Note Purchase Agreement dated July 24, 2023 (but effective as of _____, 2023) (the "Agreement") between the District and JPMorgan Chase Bank, National Association (the "Purchaser")

Ladies and Gentlemen:

The District hereby requests that the Purchaser purchase Notes in the amount of $[_____] on [_____] (the "Purchase Date") pursuant to the Agreement, such amount to be [deposited to the District's account number _____ with the Purchaser/transferred as follows [specify payment instructions]]. The District requests [1-month/3-month/6-month] SOFR and for the Notes to mature on _____, 20___. The District hereby requests that the Purchaser use its best efforts to make such purchase no later than 11:00 a.m. on the Purchase Date. The Notes shall be dated the Purchase Date. The Notes shall be [exchange Notes to repay Outstanding Notes/new money Notes]. Capitalized terms used herein and not defined shall have the meanings assigned in the Agreement.

The District hereby represents and warrants that:

(a) no Event of Default has occurred and is continuing under the Agreement;

(b) the Purchase Date meets the requirements of Section 2.01 and 3.01 of the Agreement;

(c) the amount of the purchase does not exceed the Commitment Amount less the sum of all previous purchases made under the Agreement; and

(d) all representations and warranties of the District in the Agreement are true and correct and are deemed to be made on the date hereof.

When the Notes are purchased, please provide confirmation of such purchase to the undersigned, with copies to the District at the electronic mail addresses specified below.

JPMorgan Chase Bank, National Association, as Calculation Agent, is requested to determine the interest rate for the Notes and to advise the District of such interest rate via the electronic email addresses specified below.

Please advise if the foregoing terms are acceptable.

Very truly yours,

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Name _____
Title _____

bryan.guinn@fortbendisd.com
Suzanne.Owen@fortbendisd.com
kelly.schlacks@fortbendisd.com

EXHIBIT B

CLOSING REPRESENTATIONS AS REQUIRED BY SECTION 3.01 (C) OF THE NOTE PURCHASE AGREEMENT

I, the undersigned Authorized Official, acting on behalf of the Fort Bend Independent School District (the "*District*"), pursuant to the Amended and Restated Note Purchase Agreement, dated as of July 24, 2023 (but effective as of _____, 2023), by and between the District and JPMorgan Chase Bank, National Association (the "*Agreement*"), defined terms of which are herein incorporated by reference, do hereby certify as follows:

1. (a) Each of the representations and warranties of the District contained in the Agreement is true and correct in all material respects on and as of the date hereof as though made on and as of this date, and (b) as of the date hereof no Default or Event of Default has occurred or is continuing;

2. Except as heretofore disclosed by the District or as disclosed in the Offering Memorandum for the Series A Commercial Paper Notes dated _____, 2023 (the "Offering Memorandum"), no litigation is pending in any court or, to my knowledge, pending or threatened in any court to restrain or enjoin the issuance or delivery of the Fort Bend Independent School District Unlimited Tax Commercial Paper Notes, Series B (the "*Commercial Paper Notes*") or the collection of the revenues and assets of the District pledged or to be pledged to pay the principal of and interest on the Commercial Paper Notes or the pledge thereof, or in any way contesting or affecting the validity of the Commercial Paper Notes, the Order, or the Agreement, or contesting the powers of the District or contesting the authorization of the Commercial Paper Notes or the Order;

3. There has not been any material and adverse change in the affairs or financial condition or operations of the District from that described in the Offering Memorandum;

4. All conditions to the Effective Date in the Agreement have been met.

WITNESS MY HAND this ___ Day of _____ 2023.

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

EXHIBIT C

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

[TO COME]

EXHIBIT D

FORM OF EXPIRATION DATE EXTENSION REQUEST

[Date]

JPMorgan Chase Bank, National Association
_____

_____
Attention: _____
Telecopy: _____

Re: Fort Bend Independent School District
Unlimited Tax Commercial Paper Notes, Series B
Expiration Date Extension Request

Ladies and Gentlemen:

Pursuant to Section 2.16 of that certain Amended and Restated Note Purchase Agreement, dated as of July 24, 2023 (but effective as of _____, 2023), (the "Agreement") between the Fort Bend Independent School District (the "*District*") and the Bank, the District requests that the Expiration Date (as defined in the Note Purchase Agreement) be extended to _____.

Very truly yours,

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

EXHIBIT E

FORM OF NO DEFAULT CERTIFICATE

_____, 20___

_____, 20___

JPMorgan Chase Bank, National Association
_____

_____

Attention: _____
Telecopy: _____

Dear Sir or Madam:

In accordance with Section 5.01(b) of the Amended and Restated Note Purchase Agreement between the Fort Bend Independent School District and JPMorgan Chase Bank, National Association, dated as of July 24, 2023 (but effective as of _____, 2023), we have enclosed the No Default Certificate for the fiscal year ended June 30, 20__.

Very truly yours,

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

NO DEFAULT CERTIFICATE

AS REQUIRED BY SECTION 5.01(b) OF THE NOTE PURCHASE AGREEMENT

Fort Bend Independent School District and JPMorgan Chase Bank, N.A., executed and delivered that Amended and Restated Note Purchase Agreement (the "*Agreement*") dated as of July 24, 2023 (but effective as _____, 2023). Any term defined in the Agreement and used in this Certificate shall have the meaning ascribed to it in the Agreement.

I hereby certify that:

1. I am an Authorized Official.

2. The Board of Trustees for the Fort Bend Independent School District has kept, observed, performed and fulfilled, in all material respects, each and every of their obligations under the Agreement for the fiscal year ending June 30, 20__, and there exists no Default or Event of Default.

IN WITNESS WHEREOF, I have hereunto set my hand on the date set forth below.

Date: _____

FORT BEND INDEPENDENT SCHOOL DISTRICT

By _____
Authorized Official

Exhibit F
Form of Loan Note

Fort Bend Independent School District Commercial Paper Notes, Series B
Note Purchase Agreement
Loan Note

$150,000,000.00 _____, 2023

For value received, the Fort Bend Independent School District (the "*District*"), an independent school district within, and a political subdivision of, the State of Texas, promises to pay, solely from the funds hereafter referred to, to the order of JPMorgan Chase Bank, National Association (the "*Bank*"), at the address provided in the Agreement (hereinafter defined), the aggregate unpaid principal amount of all Term Loans hereunder and under the Agreement, not to exceed One Hundred Fifty Million Dollars ($150,000,000.00) in principal amount at any one time outstanding, made by the Bank to the District hereunder, in lawful money of the United States of America, in federal or other immediately available funds, and to pay interest at the rates set forth in the Agreement on the actual unpaid principal amount hereof for each day outstanding from the date hereof until this Loan Note is paid in full, in like money and funds at such office. Interest shall be payable on the dates and manner set forth in the Agreement. Principal on this Loan Note shall be payable on the dates and manner set forth in the Agreement.

This Loan Note is subject to prepayment all pursuant to the terms and under the conditions of the Amended and Restated Note Purchase Agreement, dated as of July 24, 2023 (but effective as of _____, 2023), between the District and the Bank (the "*Agreement*"), the terms of which are hereby incorporated by reference in this Loan Note). All terms used herein and not defined shall have the same meaning as in the Agreement. Reference is also made to the Agreement for provisions providing for additional interest and other amounts to be payable under certain circumstances. If the Holder enforces this Loan Note upon Default or the occurrence of an Event of Default, the District shall reimburse the Holder for reasonable costs and expenses incurred by the Holder in collection, including attorneys fees and expenses as set out in Section 7.05 of the Agreement. This Loan Note shall be construed under and governed by laws of the State of Texas but Chapter 346, Texas, Finance Code, as amended, shall not apply.

This Loan Note, including the interest hereon, is payable solely from and secured by a lien on and a pledge of the Collateral and certain other available funds and proceeds of the District, all as set forth in Section 2.14 of the Agreement and the Order (as defined in the Agreement). This Loan Note constitutes a general obligation of the District. Further reference is made to the Agreement

and the Order for the provisions relating to the security of this Loan Note and the duties and obligations of the District.

Made and executed as of the date and year first above written.

Fort Bend Independent School District

By _____
Authorized Official

EXHIBIT B

Form of Offering Memorandum

UPDATED OFFERING MEMORANDUM
July 14, 2023

RATINGS:
Fitch: "F1+"
S&P: "A-1+"
See "RATINGS" herein.

BOOK-ENTRY-ONLY (NOT A NEW ISSUE)

In the opinion of Bracewell LLP, as bond counsel to the District ("Bond Counsel"), and as of the date of its opinion, under existing law on such date, interest on the Notes is excludable from gross income for federal income tax purposes under section 103 of the Internal Revenue Code of 1986, as amended, and is not a specific preference item for purposes of the alternative minimum tax. See "TAX MATTERS" herein, including information regarding potential alternative minimum tax consequences for corporations.

$150,000,000
FORT BEND INDEPENDENT SCHOOL DISTRICT
UNLIMITED TAX COMMERCIAL PAPER NOTES, SERIES A

The Dealer set forth below (the "Dealer") is offering for sale on behalf of Fort Bend Independent School District (the "District") the above captioned notes (the "Notes"). Capitalized terms used in this Updated Offering Memorandum shall have the meanings assigned to such terms in the Order (as defined herein), except as otherwise indicated herein. The Notes are authorized pursuant to the Constitution and laws of the State of Texas, including Chapter 45, Texas Education Code, as amended, and Chapters 1207 and 1371, Texas Government Code, as amended, a second amended and restated order by the Board of Trustees of the District (the "Board") on July 24, 2023 (the "Order") and elections held in the District on November 4, 2014 (the "2014 Election"), November 6, 2018 (the "2018 Election"), and May 6, 2023 (the "2023 Election" and collectively with the 2014 Election and the 2018 Election, the "Elections"). See "AUTHORITY FOR ISSUANCE OF THE NOTES" herein.

The Notes are payable as to principal and interest from the sources described in the Order, including the proceeds of Notes issued for such purpose, proceeds of Advances (defined below) made by the Bank (defined below) under the Credit Agreement (defined below), unlimited tax refunding bonds of the District issued for such purpose, and an annual ad valorem tax levied, without legal limit as to rate or amount, against all taxable property located within the District in an amount sufficient to pay the principal of and interest on the Notes, taking into account any other sources of funding that are lawfully available therefor, all as provided in the Order. See "SECURITY FOR THE NOTES" herein.

The Notes are being issued for the purposes of (i) construction, acquisition and equipment of school buildings in the District, the purchase of necessary sites for school buildings, the purchase of school buses, and the purchase of safety and security and technology equipment, being projects authorized at the 2014 Election, (ii) construction, acquisition, and equipment of school buildings in the District, including safety and security and technology infrastructure for the District, for the purchase of necessary sites for school buildings and for the purchase of new school buses, being projects authorized at the 2018 Election, (iii) construction, acquisition, capital renovation, and equipment of school buildings in the District, for the purchase of the necessary sites for school buildings, for the purchase of new school buses, for the retrofitting of school buses with emergency, safety, or security equipment, and for the purchase or retrofitting of vehicles to be used for emergency, safety, or security purposes under Proposition A, the acquisition or update of District technology equipment, including student, teacher, and staff devices under Proposition B, and the construction, acquisition, and equipment of a District natatorium under Proposition C being projects authorized at the 2023 Election, (iv) paying the costs and expenses of the issuance of the Notes, including fees for professional services, and (v) refinancing, renewing or refunding Notes from time to time outstanding and Loans from time to time outstanding under any credit agreement (including, initially, the Credit Agreement defined below), all pursuant to the provisions of the Order. See "PURPOSE" herein.

The District has entered into an amended and restated revolving credit agreement dated as of July 24, 2023, but effective as of August 17, 2023 (the "Credit Agreement"), with JPMorgan Chase Bank, National Association (the "Bank" or "Liquidity Provider"), under which the Bank has agreed to provide a revolving credit to the District as liquidity support for the Notes. The Credit Agreement expires November 1, 2025. The Credit Agreement constitutes a "credit agreement" under the Order and within the meaning of Chapter 1371, Texas Government Code, as amended, and the proceedings related to the Credit Agreement have been approved as to legality under Texas law by the Attorney General of the State of Texas. If for any reason the District is unable at any time to market the Notes in amounts sufficient to pay the principal of and interest on, maturing Notes, subject to certain conditions under the Credit Agreement, such maturing Notes will be paid with proceeds of amounts drawn ("Advances") under the Credit Agreement. See "SECURITY FOR THE NOTES" and "CREDIT AGREEMENT" herein. **Prospective Note purchasers are advised that upon the occurrence of a "Special Event of Default" or a "Suspension Event" (as each is defined in the Credit Agreement and described herein) under the Credit Agreement, the obligations of the Bank to make Advances under the Credit Agreement to pay the principal of and interest on such maturing Notes, as well as other "Loans" thereunder shall automatically and immediately terminate or be suspended and the herein-defined Bank Note may be declared immediately due and payable** (subject, however, to the District's ability to timely levy and collect an ad valorem tax for such purpose if no funds are available to pay the obligations that are due and payable). See "CREDIT AGREEMENT – Events of Default; Special Events of Default; and Suspension Events" and "CREDIT AGREEMENT – Remedies Under the Credit Agreement" herein.

The issuing and paying agent for the Notes is Zions Bancorporation, National Association, d/b/a Amegy Bank Division (the "Issuing and Paying Agent"). The Notes are issued only as fully-registered notes in denominations of $100,000 or integral multiples of $1,000 thereafter. When issued, the Notes will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York. Purchases of beneficial interests in the Notes will be made in book-entry form. Purchasers of beneficial interests in the Notes will not receive physical delivery of certificates representing their interests in the Notes. The Notes will be held in book-entry-only form. See "APPENDIX C – DESCRIPTION OF THE BOOK-ENTRY-ONLY SYSTEM" herein.

The Order established a commercial paper program of the District (the "Program") pursuant to which multiple series of commercial paper notes, including the Notes, may be issued in an aggregate principal amount at any one time outstanding under all series not to exceed $150,000,000. In addition to the Notes, the District authorized its "Unlimited Tax Commercial Paper Notes, Series B" (the "Series B Notes") under the Program. The Series B Notes are directly placed with the Bank pursuant to the terms of a separate purchase agreement (the "Series B Note Purchase Agreement") and are not currently eligible to be publically marketed and sold. The District may issue Series B Notes from time to time, but the total amount of Notes and Series B Notes outstanding from time to time may not exceed $150,000,000. This Offering Memorandum describes only the Notes and not the Series B Notes.

This cover page contains certain information for reference only. It is not a summary of the Notes or the Program. Investors must read the entire Offering Memorandum to obtain information essential to the making of an informed investment decision.

CITIGROUP

THE OFFERING

Citigroup Global Markets Inc. (the "Dealer") serves as the Dealer for the Fort Bend Independent School District Unlimited Tax Commercial Paper Notes, Series A (the "Notes") offered or to be offered hereby.

No Unauthorized Offer. This Updated Offering Memorandum (this "Offering Memorandum") does not constitute an offer to sell or a solicitation of an offer to buy any securities other than the Notes offered hereby, nor shall there be any offer or solicitation of such offer or sale of the Notes, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The District has not authorized any dealer, broker or other person to give any information or to make any representation other than as contained in this Offering Memorandum or the other information incorporated herein by reference, and if given or made, such other information or representation must not be relied upon as having been authorized.

No Contract or Investment Advice. This Offering Memorandum is not a contract and does not provide investment advice. Investors should consult their financial advisors and legal counsel with questions about this Offering Memorandum and the Notes being offered, or anything else related to issuance of Notes.

No Guarantee of Information by Dealer. The Dealer has provided the following sentence for inclusion in this Offering Memorandum. The Dealer has reviewed the information in this Offering Memorandum in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of the transaction, but the Dealer does not guarantee the accuracy or completeness of such information.

No Guarantee as to Accuracy or Completeness. The information set forth herein has been furnished by the District, the Bank and other sources believed to be reliable, including The Depository Trust Company with respect to the information contained in "APPENDIX C – DESCRIPTION OF THE BOOK-ENTRY-ONLY SYSTEM", but such information is not guaranteed as to accuracy or completeness.

Information Subject to Change. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Offering Memorandum nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the District or other matters described herein since the date hereof. This Offering Memorandum should be considered in its entirety and no one factor considered more or less important than any other by reason of its position in this Offering Memorandum. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE DISTRICT AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE NOTES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Forward-Looking Statements. Many statements contained in this Offering Memorandum, including the appendices and documents included by specific cross-reference, that are not historical facts are forward-looking statements, which are based on the District's beliefs, as well as assumptions made by, and information currently available to, the management and staff of the District. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. The words "anticipate," "assume," "estimate," "expect," "objective," "projection," "plan," "forecast," "goal," "budget" or similar words are intended to identify forward-looking statements. The words or phrases "to date," "now," "currently," and the like are intended to mean as of the date of this Offering Memorandum.

Projections. The projections set forth in this Offering Memorandum were not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information but, in the view of the District's management, were prepared on a reasonable basis, reflect the best currently available estimates and judgments, and present, to the best of management's knowledge and belief, the expected course of action and the expected future financial performance of the District. However, this information is not fact and should not be relied upon as being necessarily indicative of future results, and readers of this Offering Memorandum are cautioned not to place undue reliance on the prospective financial information. Neither the District's independent auditors, nor any other independent auditors, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability. Neither the District's independent auditors, nor any other independent auditors, have been consulted in connection with the preparation of the prospective financial information set forth in this Offering Memorandum, which is solely the product of the District and its affiliates and subsidiaries, and the independent auditors assume no responsibility for its content.

Liquidity Provider Information. Other than with respect to information concerning the Bank contained in Appendix B of this Offering Memorandum, none of the information in this Offering Memorandum has been supplied or verified by the Bank and the Bank does not make any representation or warranty, express or implied, as to

- the accuracy or completeness of information it has neither supplied nor verified,
- the validity of the Notes, or
- the tax-exempt status of the interest on the Notes.

SEC Rule 15c2-12. United States Securities and Exchange Commission Rule 15c2-12 does not require the District to enter into a written agreement for the benefit of holders of the Notes to provide continuing disclosure. The District regularly files continuing disclosure in connection with other debt offerings. See "CONTINUING DISCLOSURE OF INFORMATION" herein.

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DISTRICT ADMINISTRATION

ELECTED OFFICIALS

	SERVICE	EXPIRES	OCCUPATION
Judy Dae President, Position 2	2 Years 2 Months	May 2024	Small Business Owner
Dr. Shirley Rose-Gilliam Vice President, Position 4	2 Years 7 Months	May 2026	Education Consultant
David Hamilton Secretary, Position 7	1 Year 2 Months	May 2025	Sales
Angie Hanan Position 1	2 Years 7 Months	May 2026	Educational Consultant
Rick Garcia Position 3	1 Year 2 Months	May 2025	IT Project Manager
Sonya Jones Position 5	2 Months	May 2026	Educator
Kristen Davison Malone Position 6	2 Years 2 Months	May 2024	Chief Financial Officer

APPOINTED OFFICIALS

ADMINISTRATIVE OFFICERS	POSITION
Superintendent	
Christie Whitbeck, Ph.D.	Superintendent of Schools
Executive Leadership Team	
Steve Bassett	Deputy Superintendent
Beth Martinez	Deputy Superintendent
Kwabena Mensah, Ed.D.	Chief of Schools
Kimberly Smith	Chief Communications Officer
Bryan Guinn	Chief Financial Officer
Glenda Johnson	Chief Human Resources Officer
Long Pham	Chief Information Officer
Damian Viltz	Chief Operations Officer
Kimberly Lawson, Ph.D.	Chief Academics Officer
Coby Wilbanks	General Counsel
David Rider	Chief of Police

CONSULTANTS AND ADVISORS

Independent Auditors	Whitley Penn LLP Certified Public Accountants Houston, Texas
Bond Counsel	Bracewell LLP Houston, Texas
Financial Advisor	Hilltop Securities Inc. San Antonio, Texas

For additional information regarding the District, please contact:

Bryan Guinn
Chief Financial Officer
Fort Bend Independent School District
16431 Lexington Boulevard
Sugar Land, Texas 77479
(281) 634-1163
(281) 327-1052 Fax
bryan.guinn@fortbendisd.com

or

Raul Villaseñor
Managing Director
Hilltop Securities Inc.
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San Antonio, Texas 78216
(210) 308-2200
(210) 349-7585 Fax
raul.villaseñor@hilltopsecurities.com

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OFFERING MEMORANDUM
$150,000,000
FORT BEND INDEPENDENT SCHOOL DISTRICT
UNLIMITED TAX COMMERCIAL PAPER NOTES, SERIES A

THE OFFERING

Citigroup Global Markets Inc. serves as the dealer (the "Dealer") for the offering for sale, on behalf of Fort Bend Independent School District (the "District"), the Fort Bend Independent School District Unlimited Tax Commercial Paper Notes, Series A (the "Notes").

The Notes are exempt from the registration requirement of the Securities Act of 1933, as amended, pursuant to Section 3(a)(2) thereof.

In the opinion of Bracewell LLP, Houston, Texas, as Bond Counsel to the District ("Bond Counsel"), and as of the date of its opinion, under existing law, the interest on the Notes is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and is not a specific preference item for the purposes of the alternative minimum tax. See "TAX MATTERS" herein, including information regarding potential alternative minimum tax consequences for corporations.

The Credit Agreement (as hereinafter defined under "CREDIT AGREEMENT") constitutes a "credit agreement" under the Order (as defined herein) and within the meaning of Chapter 1371, Texas Government Code, as amended, and the proceedings related to the Credit Agreement have been approved as to legality under Texas law by the Attorney General of the State of Texas. Prospective Note purchasers are advised that upon the occurrence of a "Special Event of Default" or a "Suspension Event" **(as each is defined in the Credit Agreement and described herein)** under the Credit Agreement, the obligations of the Bank (hereafter identified and defined) to make "Advances" under the Credit Agreement to pay the principal of and interest on such maturing Notes, as well as other "Loans" thereunder, shall automatically and immediately terminate or be suspended and all the Loan Notes (defined herein) may be declared immediately due and payable (subject, however, to the District's ability to timely levy and collect an ad valorem tax for such purpose if no funds are available to pay the obligations that are due and payable). See "CREDIT AGREEMENT – Events of Default; Special Events of Default; and Suspension Events" and "CREDIT AGREEMENT – Remedies Under the Credit Agreement" herein.

The Order established a commercial paper program of the District (the "Program") pursuant to which multiple series of commercial paper notes, including the Notes, may be issued in an aggregate principal amount at any one time outstanding under all Series not to exceed $150,000,000. Concurrently with the Notes, the District authorized its "Unlimited Tax Commercial Paper Notes, Series B" (the "Series B Notes") under the Program. The Series B Notes are to be directly placed with the Bank pursuant to the terms of a separate note purchase agreement (the "Series B Note Purchase Agreement") and are not currently eligible to be publically marketed and sold. The District may issue Series B Notes from time to time, but the total amount of Notes and Series B Notes outstanding from time to time may not exceed $150,000,000. This Offering Memorandum describes only the Notes and not the Series B Notes.

ISSUER

The District is a political subdivision of the State of Texas (the "State") located in Fort Bend County, Texas. The District is governed by a seven-member Board of Trustees (the "Board") who serve staggered three-year terms with elections being held in May of each year. See "DISTRICT ADMINISTRATION – ELECTED OFFICIALS". Policy-making and supervisory functions are the responsibility of, and are vested in, the Board. The Board delegates administrative responsibilities to the Superintendent of the District who is the chief administrative officer of the District. Support services are supplied by consultants and advisors. The District covers approximately 169.62 square miles in Fort Bend County.

AUTHORITY FOR ISSUANCE OF THE NOTES

The Notes are issued and the tax levied for their payment pursuant to authority conferred by the Constitution and the laws of the State, including Chapter 45, Texas Education Code, as amended, and Chapters 1207 and 1371, Texas Government Code, as amended, a second amended and restated order adopted by the Board of the District on July 24, 2023 (the "Order") and elections held in the District on November 4, 2014 (the "2014 Election"), November 6, 2018 (the "2018 Election"), and May 6, 2023 (the "2023 Election" and collectively with the 2014 Election and the 2018 Election, the "Elections").

ANTICIPATED ISSUANCE OF UNLIMITED TAX DEBT . . . Pursuant to the Order, the District established a commercial paper program (the "CP Program" or "Commercial Paper Program") pursuant to which it is authorized to issue commercial paper notes ("Commercial Paper Notes" or "Commercial Paper") from time to time in an aggregate principal amount of not more than $150,000,000 at any one time outstanding pursuant to the authority provided at the Elections; provided, however, that the aggregate amount of indebtedness issued to finance authorized projects pursuant to the Elections cannot exceed the limits approved by the voters at such Elections.

PURPOSE

The Notes are issued for the purposes of (i) the construction, acquisition and equipment of school buildings in the District, the purchase of necessary sites for school buildings, the purchase of school buses, the purchase of safety and security and technology equipment, being projects authorized at the 2014 Election, (ii) construction, acquisition, and equipment of school buildings in the District, including safety and security and technology infrastructure for the District, the purchase of necessary sites for school buildings and for the purchase of new school buses, being projects authorized at the 2018 Election, (iii) construction, acquisition, capital renovation, and equipment of school buildings in the District, for the purchase of the necessary sites for school buildings, for the purchase of new school buses, for the retrofitting of school buses with emergency, safety, or security equipment, and for the purchase or retrofitting of vehicles to be used for emergency, safety, or security purposes under Proposition A, the acquisition or update of District technology equipment, including student, teacher, and staff devices under Proposition B, and the construction, acquisition, and equipment of a District natatorium under Proposition, being projects authorized at the 2023 Election (iv) paying the costs and expenses of the issuance of the Notes, including fees for professional services, and (v) refinancing, renewing or refunding Notes from time to time outstanding and Loans from time to time outstanding under any credit agreement (including, initially, the Credit Agreement), all pursuant to the provisions of the Order.

DESCRIPTION OF NOTES

The Notes will mature in not more than 270 days from their respective dates of issue and will pay principal plus accrued interest at maturity. The Notes will not be subject to redemption prior to maturity. Interest will be calculated on an actual/365 or 366-day year basis. The interest rate on the Notes may not exceed the lesser of 10% per annum or the maximum rate allowable by law. The Notes will be issued in registered form in denominations of $100,000 or integral multiples of $1,000 in excess thereof. Subject to the procedures described in "APPENDIX C – DESCRIPTION OF THE BOOK-ENTRY-ONLY SYSTEM," the Notes will be payable at the Houston, Texas offices of Zions Bancorporation, National Association, d/b/a Amegy Bank Division, as the Issuing and Paying Agent.

SECURITY FOR THE NOTES

SOURCES OF REPAYMENT . . . To provide security for the payment of the Notes, as the same shall become due and payable, the Order grants a lien on and pledge of the following, subject to the provisions of the Order permitting the application thereof for the purposes and on the terms and conditions set forth therein: (i) the proceeds from the sale of Notes from time to time issued to pay the principal amount of outstanding Notes and the principal amount of the Loan Notes, (ii) proceeds from the sale of unlimited tax bonds issued by the District from time to time hereafter for the purpose of paying the principal amounts of or interest on the Notes and the Loan Notes, (iii) amounts drawn under the Credit Agreement to pay the principal of and interest on outstanding Notes supported by such Credit Agreement (such draws, the "Advances"; the note evidencing Advances and other loans made under the Credit Agreement, the "Bank Note"), (iv) amounts held in the Note Payment Fund for the Notes established under the Order and (v) the proceeds of the District's tax levy described in the following paragraph and deposited in the Note Payment Fund.

As noted on the cover page, the District is obligated to levy and assess an annual ad valorem tax, without legal limit as to rate or amount, against all taxable property located within the District, in an amount sufficient to pay the principal of and interest on the Notes and other amounts due under the Credit Agreements, taking into account any other sources of funding that are lawfully available therefor and any Credit Agreement, as provided in the Order.

If the District is unable to remarket the Notes in amounts sufficient to pay the principal of and interest on maturing Notes, such maturing Notes will, subject to certain conditions under the Credit Agreement, be paid with the proceeds of Advances made under the Credit Agreement. See "CREDIT AGREEMENT." The occurrence of a "Special Event of Default" or a "Suspension Event," as each such term is defined in the Credit Agreement (and described below), will immediately and automatically terminate or suspend, as applicable, the Bank's obligation to make Advances and "Term Loans" (being Advances made under the Credit Agreement that have been converted to Term Loans thereunder; such Term Loans, together with Advances, the "Loans") under the Credit Agreement to pay the principal of and interest on maturing Notes supported by the Credit Agreement, even if such Notes are already outstanding and sold prior to the occurrence of one of such events. See "CREDIT AGREEMENT" herein.

REQUIREMENT TO MAINTAIN LIQUIDITY SUPPORT FOR NOTES . . . The Order provides that the District will not issue, nor at any time have outstanding, notes under the Program in an amount exceeding liquidity support therefor. Initial liquidity support for the Notes is provided by the Credit Agreement.

SUBSTITUTION OF CREDIT AGREEMENT. . . The District is permitted under the Order to provide a credit agreement or agreements in substitution for any then-existing credit agreement, including the Credit Agreement, (each an "Alternate Credit Agreement") so long as: (a) either (i) such substitution (or any assignment of all or any part of any Credit Agreement) does not cause any rating agency then rating the Notes to withdraw, lower or suspend its short-term rating assigned to any such Notes then Outstanding, as evidenced by written notice to the District or (ii) takes effect on a Business Day on which all of the outstanding Notes of the related series are scheduled to mature; (b) the Alternate Credit Agreement shall have a term of at least 270 days or until at least three Business Days after the last maturing Note of the related series; (c) the Alternate Credit Agreement shall not cause the District to violate its covenants regarding the maintenance of one or more Credit Agreements; and (d) the Alternate Credit Agreement shall be approved by the Attorney General of Texas to the extent required by law.

The Issuing and Paying Agency Agreement provides that the District will provide at least fifteen (15) days' written notice to the Dealer and the Issuing and Paying Agent of any proposed substitution or replacement by the District of the Credit Agreement and, if applicable, the identity of the provider of any substituted or replaced Credit Agreement. The Issuing and Paying Agent has agreed to promptly deliver a copy of any such notice to The Depository Trust Company (or any successor securities depository for the Notes) and, to the extent that the Issuing and Paying Agent is provided with the names and addresses of beneficial owners of the Notes, to such beneficial owners.

NOTICES AND CONSENTS . . . The Order provides that the District shall give to each credit rating agency that has issued a rating on the Notes notice of the following: (a) material changes to the Order or related documents authorizing the issuance of the Notes; (b) any change of the Issuing and Paying Agent; (c) extension, termination, substitution, or expiration of the Credit Agreement; and (d) a determination by the District that the Program has been terminated.

CREDIT AGREEMENT

GENERAL . . . In order to provide liquidity support for the payment of the principal of and interest on maturing Notes, the District has entered into the following agreement in respect to the Notes:

> Amended and Restated Revolving Credit Agreement dated as of July 24, 2023 (but effective as of August 17, 2023) (the "Credit Agreement") between the District and JPMorgan Chase Bank, National Association, located at 383 Madison Avenue, Floor 03, New York, New York (the "Liquidity Provider" or, as defined in the Credit Agreement, the "Bank"), providing for the payment of the principal of and interest on maturing Notes.

The Credit Agreement expires November 1, 2025. The following summarizes certain provisions of the Credit Agreement, to which document reference is made for the complete provisions thereof. Investors should obtain and review a copy of the Credit Agreement in order to understand all of the terms of that document. The following summary does not purport to be a complete description or restatement of the material provisions of the Credit Agreement. The provisions of any substitute credit agreement under the Order may be different from those summarized below (but any such substituted credit agreement will be the subject of a new and separate offering document).

For information about the Liquidity Provider, see APPENDIX B attached hereto. Capitalized terms used in this section captioned "CREDIT AGREEMENT" have the meaning ascribed thereto in the Credit Agreement (to which Credit Agreement is made reference to ascertain the meaning of such capitalized but undefined terms).

ESTABLISHMENT OF REVOLVING CREDIT IN SUPPORT OF NOTES; COMMITMENT . . . Pursuant to the Credit Agreement, the Bank has agreed to establish a revolving line of credit for the benefit of the District for the purpose of making revolving loans in the form of Advances, upon the conditions specified in the Credit Agreement, to fund the payment of the principal of and interest on any Notes at the stated maturity thereof (to the extent other funds are unavailable therefor).

The Issuing and Paying Agent may draw upon the Credit Agreement for the payment of the principal of and interest on maturing Notes. The amount available (the "Commitment") under the Credit Agreement for making Advances to support the principal of and interest on the Notes is $150,000,000 plus interest thereon calculated at a maximum interest rate of 10% per annum for a period of 270 days; provided, however, that the combined liquidity support for the Program provided by the Bank for both of the Notes and the Series B Notes shall not exceed a principal sum of $150,000,000 (meaning that the amount of Series B Notes issued by the District and purchased by the Bank will reduce by a corresponding amount the liquidity support available to the Notes under the Credit Agreement). The District may issue Series B Notes from time to time. The total amount of Notes and Series B Notes outstanding from time to time may not exceed $150,000,000.

The Bank will, during the period commencing on August 17, 2023 and continuing to the hereinafter-defined Final Date (such period is referred to as the "Revolving Credit Period"), on the terms and conditions set forth in the Credit Agreement, lend to the District from time to time amounts up to, but not to exceed, an aggregate amount at any one time outstanding equal to the Commitment. All Loans made by the Bank to the District pursuant to the Credit Agreement shall be evidenced by a promissory note (the "Bank Note") executed and delivered by the District to the Bank. Each Advance shall be requested and, subject to the terms of the Credit Agreement, shall be made in an amount necessary to enable the District to pay the principal of and interest on the maturing Notes during the Revolving Credit Period. The aggregate amount of Loans on any day shall not, on such date, exceed the Commitment.

The Credit Agreement provides for Loans of up to $150,000,000 for payment of unpaid principal of the Notes, plus interest thereon at the rate and for the duration described above, at maturity, such amount to be adjusted from time to time as follows (as so adjusted, the "Available Commitment"): (a) downward in an amount equal to the principal amount of any Loan made under the Credit Agreement and the amount of Series B Notes purchased by the Bank from time to time pursuant to the related Series B Notes credit agreement; (b) downward by the amount of any reduction thereto pursuant to the terms of the Credit Agreement; and (c) so long as the Revolving Credit Period has not terminated, upward in an amount equal to the principal amount of any Loan that is repaid pursuant to the terms of the Credit Agreement and the principal amount of any Series B Notes repaid pursuant to the related Series B Notes credit agreement; provided, that, after giving effect to any such adjustment, the Available Commitment shall never exceed $150,000,000 (plus applicable interest on the Notes in the prescribed amounts). Any adjustments pursuant to clause (a), (b) or (c) above shall occur simultaneously with the event requiring such adjustment.

Under the Credit Agreement, upon the occurrence or continuance of an Event of Default that is not a Special Event of Default (as each such term is defined and described below), the Bank may deliver a "No-Issuance Notice" to the District, the Issuing and Paying Agent, and the Dealer. The Issuing and Paying Agent may not issue any additional Notes unless and until such No-Issuance Notice is rescinded by the Bank in writing (which occurs when the Bank has received notice from the District that the Event of Default precipitating the Bank's delivery of the No-Issuance Notice is no longer continuing). See "CREDIT AGREEMENT – Remedies Under the Credit Agreement" below.

The Revolving Credit Period will expire on the earliest of (i) November 1, 2025, as such date may be extended pursuant to the terms of the Credit Agreement, (ii) the date on which the Commitment has been permanently reduced to zero or is terminated upon the occurrence of an Event of Default, all pursuant to the terms of the Credit Agreement, or (iii) the date on which the Credit Agreement has been substituted by a new or replacement credit agreement under the Order (the earliest of such dates is referred to as the "Final Date"). Upon the occurrence of any Special Event of Default or upon the occurrence and during the continuance of any Suspension Event, the Commitment under the Credit Agreement shall immediately and automatically terminate or suspend without notice, as applicable, and the Bank shall have no obligation to make Loans under the Credit Agreement.

EVENTS OF DEFAULT; SPECIAL EVENTS OF DEFAULT; AND SUSPENSION EVENTS . . . *Events of Default*. Pursuant to the terms of the Credit Agreement, the occurrence of any of the following events shall constitute an Event of Default thereunder.

(a) the District shall fail to pay (i) any principal of or interest on the Bank Note, any Advance, Loan or any Term Loan when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) (other than payments on Loans or the Bank Note due solely as a result of acceleration caused by the Bank, pursuant to the Bank's exercise of this permitted remedy under the Credit Agreement (and as described below)), or (ii) any principal of or interest under the Bank Note which is declared due and payable pursuant to the remedies provisions of the Credit Agreement (and as described below), or (iii) any Commitment Fee or any other amount payable under the Credit Agreement and under the other Related Documents (as defined in the Credit Agreement);

(b) any representation, warranty, certification, or statement made by the District in the Credit Agreement or in any certificate, financial statement, or other document delivered pursuant to the Credit Agreement shall prove to have been incorrect in any material respect when made or deemed to have been made;

(c) breach by the District of specified covenants, agreements, and conditions contained in the Credit Agreement;

(d) breach by the District of any other covenant, agreement, or condition (other than those referred to or contained in clauses (a), (b), or (c) above) contained in the Credit Agreement or the Bank Note and the continuation thereof for more than forty-five (45) days;

(e) (i) one or more final unappealable judgments or orders for the payment of money which individually or in the aggregate exceed $10,000,000 shall be rendered against the District and such judgment or order shall continue unsatisfied and unstayed for a period of 60 days, or (ii) the District shall have failed promptly to lift any execution, garnishment, or attachment pursuant to such judgment or order as, in the written opinion of an Authorized Official, will impair the District's ability to carry on its business;

(f) the District shall fail to pay when due and payable (i) any principal of or interest on any general obligation Modified Indebtedness (including, in each case, without limitation, any principal or sinking fund installments but excluding a failure to pay any amount which has been accelerated pursuant to the terms of a letter of credit, credit agreement, standby bond purchase agreement or other similar instrument), and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, order, resolution or instrument providing for the creation of or concerning such Modified Indebtedness; or any failure to pay principal or interest on any general obligation Modified Indebtedness under any indenture, order, resolution or instrument providing for the creation of or concerning such Modified Indebtedness shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to pay principal or interest on such Modified Indebtedness is to accelerate, or to permit the acceleration of, the maturity of such Modified Indebtedness; or (ii) any principal of or interest on any other general obligation Indebtedness of the District and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation thereof or any other default under any indenture, contract or instrument providing for the creation of or concerning such other Indebtedness, or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such default or event is to accelerate, or to permit the acceleration of, the maturity of such other debt;

(g) the District shall (i) commence a voluntary case, petition, or other proceeding or other action (x) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts or (y) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or (ii) the District shall make a general assignment for the benefit of its creditor or admit in writing its inability to pay its debts generally as they become due or shall become insolvent within the meaning of Section 101(32) of the United States Bankruptcy Code;

(h) a receiver, liquidator, custodian, or other official, appointed in an involuntary case or proceeding commenced against the District, appointed without consent or acquiescence of the District, takes charge of the District and such action as to the District is not stayed, discharged, or vacated for a period of sixty (60) days;

(i) (i) an involuntary case or other proceeding shall be commenced against the District seeking (x) liquidation, reorganization, or other relief with respect to the District's bonds or other obligations under any bankruptcy, insolvency, or other similar law now or hereafter in effect or (y) the appointment of a custodian, receiver, liquidator, trustee or other similar official of the District, and such proceeding or case shall not be dismissed or stayed within sixty (60) days after the filing thereof, or (ii) an order of relief shall be entered against the District under federal bankruptcy laws as now or hereafter in effect;

(j) (i) any provision of the Credit Agreement or any other Related Documents (other than the Dealer Agreement and the Fee Agreement) relating to the District's ability to make payments on the Notes or the Bank Note or to raise funds to meet such payment obligations or the pledge of and lien on the Collateral (as defined in the Credit Agreement), in any case, shall at any time for any reason cease to be valid and binding or fully enforceable on the District as a result of federal or state legislative or administrative action, or shall be declared in a final non-appealable judgment by any court having jurisdiction over the District to be null and void, invalid, or unenforceable, (ii)(x) the validity or enforceability of any provision of the Credit Agreement or any other Related Documents (other than the Dealer Agreement and the Fee Agreement) referred to in clause (i) of this subsection (j) shall be contested by the District, (y) the District shall deny that the District has any payment obligations on the Notes or the Bank Note or (z) the District shall repudiate such payment obligations or (iii) any material provision of this Agreement or the other Related Documents other than the provisions described in clause (i) of this subsection (j) shall at any time for any reason cease to be valid and binding on the District as a result of federal or state legislative or administrative action, or shall be declared in a final non-appealable judgment by any court having jurisdiction over the District to be null and void, invalid, or unenforceable, or the validity or enforceability thereof shall be contested by the District;

(k) the Order shall be modified or amended in any way without the prior written consent of the Bank;

(l) S&P, Fitch and Moody's shall have (i) assigned any general obligation Indebtedness of the District a long-term rating below "BBB-" (S&P and Fitch) and "Baa3" (Moody's), or (ii) suspended or withdrawn ratings of the Commercial Paper Notes or any other general obligation Indebtedness of the District for credit related reasons;

(m) to the extent that it has provided (and at such time maintains) a rating on a series of District general obligation bonds, S&P, Fitch, or Moody's shall have assigned any general obligation Indebtedness of the District a long-term rating below "A" (S&P and Fitch) or "A2" (Moody's);

(n) the imposition of federal taxation on interest received by any holder of the Notes;

(o) (i) the District shall impose a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any general obligation Modified Indebtedness of the District that ranks senior to or on a parity with the Notes and the Bank Note or (ii) any Governmental Authority having appropriate jurisdiction over the District shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the Notes and the Bank Note or on all general obligation Indebtedness of the District;

(p) an "event of default", as defined in any Related Document, shall (subject to any materiality standard, periods of grace, or opportunity to cure as may be provided in the subject Related Document) have occurred; or

(q) an "event of default" under the Series B Note Purchase Agreement shall have occurred.

Special Events of Default. A Special Event of Default under the Credit Agreement means any of the Events of Default described above under letters (a)(i), (e)(i), (f)(i), (g), (h), (i), (j)(i), (l), and (o).

Suspension Events. A Suspension Event means an event which causes the suspension of the Bank's obligation to make Loans as described in (d) below in "Remedies Under the Credit Agreement".

REMEDIES UNDER THE CREDIT AGREEMENT . . . *Remedies in General*. Following the occurrence of the Events of Default specified below, the Bank may (in addition to any remedy available at law or in equity) take any one or more of the following actions:

(a) Upon the occurrence of any Special Event of Default, the Commitment shall immediately terminate, and the Bank shall have no obligation to make Loans to purchase then-outstanding Notes upon maturity. Further, the Bank may declare the Bank Note, all accrued interest thereon, and all other amounts payable under the Credit Agreement to be forthwith due and payable, whereupon the Bank Note and such interest and all such amounts shall become and be forthwith due and payable to the extent permitted by law without presentment, demand, protest or further notice of any kind, all of which have been expressly waived by the District; provided, however, payment by the District is to be made when such amounts are declared due and payable, from the District's ad valorem debt service tax revenues lawfully available for such purpose, but to the extent the District determines that such funds are not available, shall not be due and payable prior to February 1 of the calendar year immediately following the date the Board next adopts an order levying ad valorem taxes for the payment thereof.

(b) Upon the occurrence of any Event of Default, interest shall be charged on the unpaid principal balance of the Loan at the Default Rate commencing on the date on which the event occurred, after any applicable cure or grace period, giving rise to such Event of Default. Further, upon failure by the District to pay the Commitment Fee or any other amount payable under the Credit Agreement, such unpaid Commitment Fee or other amount shall accrue interest at the Default Rate, commencing on the date on which the event occurred; provided, however, payment by the District of such additional interest due to the Bank shall be made when such amounts are due and payable, from the District's ad valorem debt service tax revenues lawfully available for such purpose, but to the extent the District determines that such funds are not available, shall not be due and payable prior to February 1 of the calendar year immediately following the date the Board next adopts an order levying ad valorem taxes for the payment thereof.

(c) Upon the occurrence of an Event of Default that is not a Special Event of Default, the Bank, may (i) issue a No-Issuance Notice and instruct the Dealer and the Issuing and Paying Agent to terminate the marketing and remarketing of the Notes and (ii) by notice to the District and the Issuing and Paying Agent terminate the Commitment, if any (except as provided below), and the Commitment shall thereupon terminate; provided, however, the Commitment shall not terminate and the Bank shall not be relieved of its obligation to make Loans in accordance with the applicable terms of the Credit Agreement to the extent, but only to the extent, necessary for the District to make required payments of principal of and interest on the Notes issued and sold prior to the time a No-Issuance Notice is received by the Issuing and Paying Agent; provided further that if any Loans are made that would not have been made but for the application of the immediately preceding provision, such Loans shall be immediately due and payable on the date such Loans are made; provided, however, payment by the District is to be made when such amounts are declared due and payable, from the District's ad valorem debt service tax revenues lawfully available for such purpose, but to the extent the District determines that such funds are not available, shall not be due and payable prior to February 1 of the calendar year immediately following the date the Board next adopts an order levying ad valorem taxes for the payment thereof.

(d) Upon the occurrence of a Default described under letter (h) or (i) under "EVENTS OF DEFAULT; SPECIAL EVENTS OF DEFAULT; AND SUSPENSION EVENTS," above, prior to the expiration of the 60-day period described therein, the obligations of the Bank to make Loans under the Credit Agreement shall be suspended and remain suspended until the case, proceeding, order or other action referred to in such sections is either dismissed or stayed within 60 days from the commencement of such case, proceeding, order, or other action or the termination of the Available Commitment occurs under the Credit Agreement, whichever is first. In the event such case, proceeding, order or other action is terminated prior to the 60-day period, the obligations of the Bank to make Loans under the Credit Agreement shall be reinstated and the terms of the Credit Agreement will continue in full force and effect (unless the obligations of the Bank to make Loans under the Credit Agreement shall have otherwise expired or terminated in accordance with the terms hereof or there has occurred a Special Event of Default) as if there had been no such suspension.

(e) Failure to take action in regard to one or more Defaults or Events of Default shall not constitute a waiver of, or the right to take action in the future in regard to, such or subsequent Defaults or Events of Default.

Suits at Law or in Equity and Mandamus. In the case one or more Events of Default shall occur, then and in every such case the Holders of the Loan Note shall be entitled to proceed to protect and enforce such Holders' rights by such appropriate judicial proceeding as such Holder shall deem most effectual to protect and enforce any such right, either by suit, in equity, or by action at law, whether for the specific performance of any covenant or agreement contained in the Credit Agreement, or in aid of the exercise of any power granted in the Credit Agreement, or to enforce any other legal or equitable right vested in the Holder by the Credit Agreement or the Loan Note or by law. The provisions of the Credit Agreement shall be a contract with each and every Holder and the duties of the District may be enforceable by any Holder by mandamus or other appropriate suit, action, or proceeding in any court of competent jurisdiction.

Cross Defaults. If there shall be an event of default under any other document authorizing the issuance of any general obligation bonds by the District, the District shall not issue any additional commercial paper notes under the Program until such event of default is cured or remedied.

No Remedy Exclusive. The rights and remedies of the Bank under the Credit Agreement shall be cumulative and not exclusive of any rights or remedies which they would otherwise have, and no failure or delay by the Bank in exercising any right shall operate as a waiver of it, nor shall any single or partial exercise of any power or right preclude its other or further exercise or the exercise of any other power or right.

STATE AND LOCAL FUNDING OF SCHOOL DISTRICTS IN TEXAS

LITIGATION RELATING TO THE TEXAS PUBLIC SCHOOL FINANCE SYSTEM . . . On seven occasions in the last thirty years, the Texas Supreme Court (the "Court") has issued decisions assessing the constitutionality of the Texas public school finance system (the "Finance System"). The litigation has primarily focused on whether the Finance System, as amended by the Texas Legislature (the "Legislature") from time to time (i) met the requirements of article VII, section 1 of the Texas Constitution, which requires the Legislature to "establish and make suitable provision for the support and maintenance of an efficient system of public free schools," or (ii) imposed a statewide ad valorem tax in violation of article VIII, section 1-e of the Texas Constitution because the statutory limit on property taxes levied by school districts for maintenance and operation purposes had allegedly denied school districts meaningful discretion in setting their tax rates. In response to the Court's previous decisions, the Legislature enacted multiple laws that made substantive changes in the way the Finance System is funded in efforts to address the prior decisions declaring the Finance System unconstitutional.

On May 13, 2016, the Court issued its opinion in the most recent school finance litigation, Morath v. The Texas Taxpayer & Student Fairness Coal., 490 S.W.3d 826 (Tex. 2016) ("Morath"). The plaintiffs and intervenors in the case had alleged that the Finance System, as modified by the Legislature in part in response to prior decisions of the Court, violated article VII, section 1 and article VIII, section 1-e of the Texas Constitution. In its opinion, the Court held that "[d]espite the imperfections of the current school funding regime, it meets minimum constitutional requirements." The Court also noted that:

> Lawmakers decide if laws pass, and judges decide if those laws pass muster. But our lenient standard of review in this policy-laden area counsels modesty. The judicial role is not to second-guess whether our system is optimal, but whether it is constitutional. Our Byzantine school funding "system" is undeniably imperfect, with immense room for improvement. But it satisfies minimum constitutional requirements.

POSSIBLE EFFECTS OF CHANGES IN LAW ON DISTRICT BONDS . . . The Court's decision in Morath upheld the constitutionality of the Finance System but noted that the Finance System was "undeniably imperfect." While not compelled by the Morath decision to reform the Finance System, the Legislature could enact future changes to the Finance System. Any such changes could benefit or be a detriment to the District. If the Legislature enacts future changes to, or fails adequately to fund the Finance System, or if changes in circumstances otherwise provide grounds for a challenge, the Finance System could be challenged again in the future.

In its 1995 opinion in Edgewood Independent School District v. Meno, 917 S.W.2d 717 (Tex. 1995), the Court stated that any future determination of unconstitutionality "would not, however, affect the district's authority to levy the taxes necessary to retire previously issued bonds, but would instead require the Legislature to cure the system's unconstitutionality in a way that is consistent with the Contract Clauses of the U.S. and Texas Constitutions" (collectively, the "Contract Clauses"), which prohibit the enactment of laws that impair prior obligations of contracts.

Although, as a matter of law, the Bonds, upon issuance and delivery, will be entitled to the protections afforded previously existing contractual obligations under the Contract Clauses, the District can make no representations or predictions concerning the effect of future legislation, or any litigation that may be associated with such legislation, on the District's financial condition, revenues or operations. While the enactment of future legislation to address school funding in Texas could adversely affect the financial condition, revenues or operations of the District, the District does not anticipate that the security for payment of the Bonds, specifically, the District's obligation to levy an unlimited debt service tax and any Permanent School Fund guarantee of the Bonds would be adversely affected by any such legislation. See "CURRENT PUBLIC SCHOOL FINANCE SYSTEM."

CURRENT PUBLIC SCHOOL FINANCE SYSTEM

OVERVIEW . . . The following language constitutes only a summary of the public school finance system as it is currently structured. For a more complete description of school finance and fiscal management in the State, reference is made to Chapters 43 through 49 of the Texas Education Code, as amended. The information contained herein under the captions "CURRENT PUBLIC SCHOOL FINANCE SYSTEM" and "TAX RATE LIMITATIONS" is subject to change, and only reflects the District's understanding based on information available to the District as of the date of this Official Statement. The following summary does not include information regarding the 88th Legislative Session, which concluded on May 29, 2023. Additionally, prospective investors are encouraged to review the Property Tax Code (as defined herein) for definitive requirements for the levy and collection of ad valorem taxes and the calculation of the defined tax rates.

Local funding is derived from collections of ad valorem taxes levied on property located within each school district's boundaries. School districts are authorized to levy two types of property taxes: a maintenance and operations ("M&O") tax to pay current expenses and an interest and sinking fund ("I&S") tax to pay debt service on bonds. School districts may not increase their M&O tax rate for the purpose of creating a surplus to pay debt service on bonds. Prior to 2006, school districts were authorized to levy their M&O tax at a voter-approved rate, generally up to $1.50 per $100 of taxable value. Since 2006, the State Legislature has enacted various legislation that has compressed the voter-approved M&O tax rate, as described below. Current law also requires

school districts to demonstrate their ability to pay debt service on outstanding bonded indebtedness through the levy of an I&S tax at a rate not to exceed $0.50 per $100 of taxable value at the time bonds are issued. Once bonds are issued, however, school districts generally may levy an I&S tax sufficient to pay debt service on such bonds unlimited as to rate or amount. See "TAX RATE LIMITATIONS – I&S Tax Rate Limitations." Because property values vary widely among school districts, the amount of local funding generated by school districts with the same I&S tax rate and M&O tax rate is also subject to wide variation; however, the public school finance funding formulas are designed to generally equalize local funding generated by a school district's M&O tax rate.

Prior to the 86th Texas Legislative Session, a school district's maximum M&O tax rate for a given tax year was determined by multiplying that school district's 2005 M&O tax rate levy by an amount equal to a compression percentage set by legislative appropriation or, in the absence of legislative appropriation, by the Commissioner of Education (the "Commissioner"). This compression percentage was historically set at 66.67%, effectively setting the maximum compressed M&O tax rate for most school districts at $1.00 per $100 of taxable value, since most school districts in the State had a voted maximum M&O tax rate of $1.50 per $100 of taxable value. School districts were permitted, however, to generate additional local funds by raising their M&O tax rate up to $0.04 above the compressed tax rate or, with voter-approval at a valid election in the school district, up to $0.17 above the compressed tax rate (for most school districts, this equated to an M&O tax rate between $1.04 and $1.17 per $100 of taxable value). School districts received additional State funds in proportion to such taxing effort.

LOCAL FUNDING FOR SCHOOL DISTRICTS . . . A school district's M&O tax rate is composed of two distinct parts: the "Tier One Tax Rate", which is the local M&O tax rate required for a school district to receive any part of the basic level of State funding (referred to herein as "Tier One") under the Foundation School Program, as further described below, and the "Enrichment Tax Rate", which is any local M&O tax effort in excess of its Tier One Tax Rate. Formulas for the State Compression Percentage and Maximum Compressed Tax Rate (each as described below) are designed to compress M&O tax rates in response to year-over-year increases in property values across the State and within a school district, respectively. The discussion in this subcaption "Local Funding For School Districts" is generally intended to describe funding provisions applicable to all school districts; however, there are distinctions in the funding formulas for school districts that generate local M&O tax revenues in excess of the school districts' funding entitlements, as further discussed under the subcaption "– Local Revenue Level In Excess of Entitlement" herein.

State Compression Percentage. The "State Compression Percentage" ("SCP") is a statutorily defined percentage of the rate of $1.00 per $100 that is used to determine a school district's Maximum Compressed Tax Rate (described below). The SCP is the lesser of three alternative calculations: (1) 93% or a lower percentage set by appropriation for a school year; (2) a percentage determined by formula if the estimated total taxable property value of the State (as submitted annually to the Legislature by the State Comptroller) has increased by at least 2.5% over the prior year; and (3) the prior year SCP. For any year, the maximum SCP is 93%. .For the State fiscal year ending in 2023, the SCP is set at 89.41%.

Maximum Compressed Tax Rate. The Maximum Compressed Tax Rate (the "MCR") is the tax rate per $100 of valuation of taxable property at which a school district must levy its Tier One Tax Rate to receive the full amount of the Tier One funding to which the school district is entitled. The MCR is equal to the lesser of two alternative calculations: (1) the "State Compression Percentage" (as discussed above) multiplied by 100; or (2) a percentage determined by formula if the school district experienced a year-over-year increase in property value of at least 2.5% (if the increase in property value is less than 2.5%, then the MCR is equal to the prior year MCR). However, each year the TEA shall evaluate the MCR for each school district in the State, and for any given year, if a school district's MCR is calculated to be less than 90% of any other school district's MCR for the current year, then the school district's MCR is instead equal to the MCR multiplied by 90% so that the difference between the school district's MCR and any other school district's MCR is not more than 10%. These compression formulas are intended to more closely equalize local generation of Tier One funding among districts with disparate tax bases and generally reduce the Tier One Tax Rates of school districts as property values increase. During the 2021 Texas Legislative Session, a provision of the general appropriations act reduced the maximum MCR for the 2022-2023 school year. It established $0.8941 as the maximum rate and $0.8046 as the floor.

Tier One Tax Rate. A school district's Tier One Tax Rate is defined as a school district's M&O tax rate levied that does not exceed the school district's MCR.

Enrichment Tax Rate. The Enrichment Tax Rate is the number of cents a school district levies for M&O in excess of the Tier One Tax Rate, up to an additional $0.17. The Enrichment Tax Rate is divided into two components: (i) "Golden Pennies" which are the first $0.08 of tax effort in excess of a school district's Tier One Tax Rate; and (ii) "Copper Pennies" which are the next $0.09 in excess of a school district's Tier One Tax Rate plus Golden Pennies.

School districts may levy an Enrichment Tax Rate at a level of their choice, subject to the limitations described under "TAX RATE LIMITATIONS – Public Hearing and Voter-Approval Tax Rate"; however to levy any of the Enrichment Tax Rate in a given year, a school district must levy a Tier One Tax Rate equal to the school district's MCR for such year. Additionally, a school district's levy of Copper Pennies is subject to compression if the guaranteed yield (i.e., the guaranteed level of local tax revenue and State aid generated for each cent of tax effort) of Copper Pennies is increased from one year to the next. See "– State Funding for School Districts – Tier Two."

STATE FUNDING FOR SCHOOL DISTRICTS . . . State funding for school districts is provided through the two-tiered Foundation School Program, which guarantees certain levels of funding for school districts in the State. School districts are entitled to a legislatively appropriated guaranteed yield on their Tier One Tax Rate and Enrichment Tax Rate. When a school district's Tier One Tax Rate

and Enrichment Tax Rate generate tax revenues at a level below the respective entitlement, the State will provide "Tier One" funding or "Tier Two" funding, respectively, to fund the difference between the school district's entitlements and the calculated M&O revenues generated by the school district's respective M&O tax rates.

The first level of funding, Tier One, is the basic level of funding guaranteed to all school districts based on a school district's Tier One Tax Rate. Tier One funding may then be "enriched" with Tier Two funding. Tier Two provides a guaranteed entitlement for each cent of a school district's Enrichment Tax Rate, allowing a school district increase or decrease its Enrichment Tax Rate to supplement Tier One funding at a level of the school district's own choice. While Tier One funding may be used for the payment of debt service (except for school districts subject to the recapture provisions of Chapter 49 of the Texas Education Code, as discussed herein), and in some instances is required to be used for that purpose. See "TAX RATE LIMITATIONS – I&S Tax Rate Limitations." Tier Two funding may not be used for the payment of debt service or capital outlay.

The current public school finance system also provides an Existing Debt Allotment ("EDA") to subsidize debt service on eligible outstanding school district bonds, an Instructional Facilities Allotment ("IFA") to subsidize debt service on newly issued bonds, and a New Instructional Facilities Allotment ("NIFA") to subsidize operational expenses associated with the opening of a new instructional facility. IFA primarily addresses the debt service needs of property-poor school districts. For the 2022-2023 State fiscal biennium, the State Legislature appropriated funds in the amount of $1,007,300,000 for the EDA, IFA, and NIFA.

Tier One and Tier Two allotments represent the State's share of the cost of M&O expenses of school districts, with local M&O taxes representing the school district's local share. EDA and IFA allotments supplement a school district's local I&S taxes levied for debt service on eligible bonds issued to construct, acquire and improve facilities, provided that a school district qualifies for such funding and that the State Legislature makes sufficient appropriations to fund the allotments for a State fiscal biennium. Tier One and Tier Two allotments and existing EDA and IFA allotments are generally required to be funded each year by the State Legislature.

Tier One. Tier One funding is the basic level of funding guaranteed to a school district, consisting of a State-appropriated baseline level of funding (the "Basic Allotment") for each student in "Average Daily Attendance" (being generally calculated as the sum of student attendance for each State-mandated day of instruction divided by the number of State-mandated days of instruction, defined herein as "ADA"). The Basic Allotment is revised downward if a school district's Tier One Tax Rate is less than the State-determined threshold. The Basic Allotment is supplemented by additional State funds, allotted based upon the unique school district characteristics and demographics of students in ADA, to make up most of a school district's Tier One entitlement under the Foundation School Program.

The Basic Allotment for a school district with a Tier One Tax Rate equal to the school district's MCR, is $6,160 (or a greater amount as may be provided by appropriation) for each student in ADA and is revised downward for a school district with a Tier One Tax Rate lower than the school district's MCR. The Basic Allotment is then supplemented for all school districts by various weights to account for differences among school districts and their student populations. Such additional allotments include, but are not limited to, increased funds for students in ADA who: (i) attend a qualified special education program, (ii) are diagnosed with dyslexia or a related disorder, (iii) are economically disadvantaged, or (iv) have limited English language proficiency. Additional allotments to mitigate differences among school districts include, but are not limited to: (i) a transportation allotment for mileage associated with transporting students who reside two miles or more from their home campus, (ii) a fast growth allotment, and (iii) a college, career and military readiness allotment to further Texas' goal of increasing the number of students who attain a post-secondary education or workforce credential, and (iv) a teacher compensation incentive allotment to increase teacher retention in disadvantaged or rural school districts. A school district's total Tier One funding less certain additional allotments, divided by $6,160, is a school district's measure of students in "Weighted Average Daily Attendance" ("WADA"), which serves to calculate Tier Two funding.

The fast growth allotment weights are currently 0.48 for districts in the top 40% of school districts for growth, 0.33 for districts in the middle 30% of school districts for growth and 0.18 for districts in the bottom 30% of school districts for growth. The fast growth allotment is limited to $310 million for the 2022-2023 school year and $315 million for the 2023-2024 school year.

Tier Two. Tier Two supplements Tier One funding and provides two levels of enrichment with different guaranteed yields (i.e., Golden Pennies and Copper Pennies) depending on the school district's Enrichment Tax Rate. Golden Pennies generate a guaranteed yield equal to the greater of (i) the local revenue per student in WADA per cent of tax effort available to a school district at the ninety-sixth (96^{th}) percentile of wealth per student in WADA, or (ii) the Basic Allotment (or a greater amount as may be provided by appropriation) multiplied by 0.016. For the 2022-2023 State fiscal biennium, school districts are guaranteed a yield of $98.56 per student in WADA for each Golden Penny levied. Copper Pennies generate a guaranteed yield per student in WADA equal to the school district's Basic Allotment (or a greater amount as may be provided by appropriation) multiplied by 0.008. For the 2022-2023 State fiscal biennium, school districts are guaranteed a yield of $49.28 per student in WADA for each Copper Penny levied. For any school year in which the guaranteed yield of Copper Pennies per student in WADA exceeds the guaranteed yield of Copper Pennies per student in WADA for the preceding school year, a school district is required to reduce its Copper Pennies levied so as to generate no more revenue per student in WADA than was available to the school district for the preceding year.

Existing Debt Allotment, Instruction Facilities Allotment, and New Instructional Facilities Allotment. The Foundation School Program also includes facilities funding components consisting of the IFA and the EDA, subject to legislative appropriation each State fiscal biennium. To the extent funded for a biennium, these programs assist school districts in funding facilities by, generally,

equalizing a school district's I&S tax effort. The IFA guarantees each awarded school district a specified amount per student (the "IFA Yield") in State and local funds for each cent of I&S tax levied to pay the principal of and interest on eligible bonds issued to construct, acquire, renovate or improve instructional facilities. The IFA Yield has been $35 since this program first began in 1997. New awards of IFA are only available if appropriated funds are allocated for such purpose by the State Legislature. To receive an IFA award, in years where new IFA awards are available, a school district must apply to the Commissioner in accordance with rules adopted by the TEA before issuing the bonds to be paid with IFA State assistance. The total amount of debt service assistance over a biennium for which a school district may be awarded is limited to the lesser of (1) the actual debt service payments made by the school district in the biennium in which the bonds are issued; or (2) the greater of (a) $100,000 or (b) $250 multiplied by the number of students in ADA. The IFA is also available for lease-purchase agreements and refunding bonds meeting certain prescribed conditions. Once a school district receives an IFA award for bonds, it is entitled to continue receiving State assistance for such bonds without reapplying to the Commissioner. The guaranteed level of State and local funds per student per cent of local tax effort applicable to the bonds may not be reduced below the level provided for the year in which the bonds were issued. For the 2022-2023 State fiscal biennium, the State Legislature did not appropriate any funds for new IFA awards; however, awards previously granted in years the State Legislature did appropriate funds for new IFA awards will continue to be funded.

State financial assistance is provided for certain existing eligible debt issued by school districts through the EDA program. The EDA guaranteed yield (the "EDA Yield") is the lesser of (i) $40 per student in ADA or a greater amount for any year provided by appropriation; or (ii) the amount that would result in a total additional EDA of $60 million more than the EDA to which school districts would have been entitled to if the EDA Yield were $35. The portion of a school district's local debt service rate that qualifies for EDA assistance is limited to the first $0.29 of its I&S tax rate (or a greater amount for any year provided by appropriation by the State Legislature). In general, a school district's bonds are eligible for EDA assistance if (i) the school district made payments on the bonds during the final fiscal year of the preceding State fiscal biennium, or (ii) the school district levied taxes to pay the principal of and interest on the bonds for that fiscal year. Each biennium, access to EDA funding is determined by the debt service taxes collected in the final year of the preceding biennium. A school district may not receive EDA funding for the principal and interest on a series of otherwise eligible bonds for which the school district receives IFA funding.

Since future-year IFA awards were not funded by the State Legislature for the 2022-2023 State fiscal biennium and debt service assistance on school district bonds that are not yet eligible for EDA is not available, debt service payments during the 2022-2023 State fiscal biennium on new bonds issued by school districts in the 2022-2023 State fiscal biennium to construct, acquire and improve facilities must be funded solely from local I&S taxes.

A school district may also qualify for a NIFA allotment, which provides assistance to school districts for operational expenses associated with opening new instructional facilities. The 87th Texas Legislature appropriated funds in the amount of $70,000,000 for each fiscal year of the 2022-2023 State fiscal biennium for NIFA allotments.

Tax Rate and Funding Equity. The Commissioner may proportionally reduce the amount of funding a school district receives under the Foundation School Program and the ADA calculation if the school district operates on a calendar that provides less than the State-mandated minimum instruction time in a school year. The Commissioner may also adjust a school district's ADA as it relates to State funding where disaster, flood, extreme weather or other calamity has a significant effect on a school district's attendance.

Furthermore, "property-wealthy" school districts that received additional State funds under the public school finance system prior to the enactment of certain legislation passed during the 86th Texas Legislature are entitled to an equalized wealth transition grant on an annual basis through the 2023-2024 school year in an amount equal to the amount of additional revenue such school district would have received under former Texas Education Code Sections 41.002(e) through (g), as those sections existed on January 1, 2019. This grant is phased out through the 2023-2024 school year. Additionally, school districts and open-enrollment charter schools may be entitled to receive an allotment in the form of a formula transition grant, but they will not be entitled to an allotment beginning with the 2024-2025 school year. This grant is meant to ensure a smooth transition into the funding formulas enacted by the 86th Texas Legislature. Furthermore, if the total amount of allotments to which school districts and open enrollment charter schools are entitled for a school year exceeds $400 million, the Commissioner shall proportionately reduce each district's or school's allotment. The reduction in the amount to which a district or school is entitled may not result in an amount that is less than zero.

LOCAL REVENUE LEVEL IN EXCESS OF ENTITLEMENT. . . A school district that has sufficient property wealth per student in ADA to generate local revenues on the school district's Tier One Tax Rate and Copper Pennies in excess of the school district's respective funding entitlements (a "Chapter 49 school district"), is subject to the local revenue reduction provisions contained in Chapter 49 of Texas Education Code, as amended ("Chapter 49"). Additionally, in years in which the amount of State funds appropriated specifically excludes the amount necessary to provide the guaranteed yield for Golden Pennies, local revenues generated on a school district's Golden Pennies in excess of the school district's respective funding entitlement are subject to the local revenue reduction provisions of Chapter 49. To reduce local revenue, Chapter 49 school districts are generally subject to a process known as "recapture", which requires a Chapter 49 school district to exercise certain options to remit local M&O tax revenues collected in excess of the Chapter 49 school district's funding entitlements to the State (for redistribution to other school districts) or otherwise expending the respective M&O tax revenues for the benefit of students in school districts that are not Chapter 49 school districts, as described in the subcaption "*Options for Local Revenue Levels in Excess of Entitlement*". Chapter 49 school districts receive their allocable share of funds distributed from the constitutionally-prescribed Available School Fund, but are generally not

eligible to receive State aid under the Foundation School Program, although they may continue to receive State funds for certain competitive grants and certain programs that remain outside the Foundation School Program.

Options for Local Revenue Levels in Excess of Entitlement. Under Chapter 49, a school district has six options to reduce local revenues to a level that does not exceed the school district's respective entitlements: (1) a school district may consolidate by agreement with one or more school districts to form a consolidated school district; all property and debt of the consolidating school districts vest in the consolidated school district; (2) a school district may detach property from its territory for annexation by a property-poor school district; (3) a school district may purchase attendance credits from the State; (4) a school district may contract to educate nonresident students from a property-poor school district by sending money directly to one or more property-poor school districts; (5) a school district may execute an agreement to provide students of one or more other school districts with career and technology education through a program designated as an area program for career and technology education; or (6) a school district may consolidate by agreement with one or more school districts to form a consolidated taxing school district solely to levy and distribute either M&O taxes or both M&O taxes and I&S taxes. A Chapter 49 school district may also exercise any combination of these remedies. Options (3), (4) and (6) require prior approval by the Chapter 49 school district's voters.

Furthermore, a school district may not adopt a tax rate until its effective local revenue level is at or below the level that would produce its guaranteed entitlement under the Foundation School Program. If a school district fails to exercise a permitted option, the Commissioner must reduce the school district's local revenue level to the level that would produce the school district's guaranteed entitlement, by detaching certain types of property from the school district and annexing the property to a property-poor school district or, if necessary, consolidate the school district with a property-poor school district. Provisions governing detachment and annexation of taxable property by the Commissioner do not provide for assumption of any of the transferring school district's existing debt.

2023 LEGISLATIVE SESSION… The 88th Texas Legislature began on January 10, 2023 and adjourned on May 29, 2023. The Legislature meets in regular session in odd numbered years for 140 days. When the Legislature is not in session, the Governor may call one or more special sessions, at the Governor's discretion, each lasting no more than 30 days, and for which the Governor sets the agenda. The Governor issued a proclamation calling a second called special session that began on June 27, 2023. The call for the special session includes the following: (i) "Legislation to cut property-tax rates solely by reducing the school district maximum compressed tax rate in order to provide lasting property-tax relief for Texas taxpayers;" (ii) "Legislation to put Texas on a pathway to eliminate school district maintenance and operations property taxes;" (iii) "Legislation relating to providing property tax relief through the public school finance system, exemptions, limitations on appraisals and taxes and property tax administration;" and (iv) "Legislation relating to the amount of the total revenue exemption from the franchise tax and the exclusion of certain taxable entities from the requirement to file a franchise tax report." During this time, the Legislature may enact laws that materially change current law as it relates to the funding of public schools, including the District. Currently proposed legislation includes provisions related to the further compression of school district maintenance and operations tax rates, an increase in the school district mandatory homestead exemption from $40,000 to $100,000, and limitations on increases in appraised values on certain classes of properties. The District can make no representations or predictions regarding the scope of legislation that may be considered during the second called special session or the potential impact of such legislation at this time.

During the 88th Texas Legislative Session, the Legislature considered a general appropriations act and legislation affecting the Finance System and ad valorem taxation procedures and exemptions, and investments, among other legislation affecting school districts and the administrative agencies that oversee school districts. The District is in the process of reviewing legislation that passed and can make no representation regarding the impact of such legislation at this time.

THE SCHOOL FINANCE SYSTEM AS APPLIED TO THE FORT BEND INDEPENDENT SCHOOL DISTRICT

District has not been required to exercise one of the wealth equalization options permitted under applicable State law. As a district with local revenue less than the maximum permitted level, the District may benefit in the future by agreeing to accept taxable property or funding assistance from, or agreeing to consolidate with, a property-rich district to enable such district to reduce its wealth per student to the permitted level.

A district's status as to any excess local revenue in Tier One and its wealth per student for Copper Penny purposes in Tier Two must be tested for each future school year and, if it exceeds the maximum permitted levels, the excess must be reduced by exercising one of the permitted wealth equalization options. If the District were to consolidate (or consolidate its tax base for all purposes) with a property-poor district, the outstanding debt of each district could become payable from the consolidated district's combined property tax base, and the District's ratio of taxable property to debt could become diluted. If the District were to detach property voluntarily, a portion of its outstanding debt (including the Bonds) could be assumed by the district to which the property is annexed, in which case timely payment of the Bonds could become dependent in part on the financial performance of the annexing district.

For the State fiscal year ending in 2023 (the 2022-2023 school year), the District's compression percentage was lower than the State Compression Percentage resulting in a MCR of $0.8046. The MCR of $0.0846 in addition to the $0.06 golden pennies, provided for a total maintenance and operations tax rate of $0.8646.

The District's voter approval tax rate election ("VATRE"), held on November 8, 2022, which would have increased the maintenance and operations tax rate by 7.5 pennies, did not pass. However, the fiscal year 2022-23 General Fund budget adopted by the Board did not reflect the additional revenue from the VATRE so there is no budget impact for fiscal year 2022-23. The

Board adopted the General Fund budget for 2022-23 utilizing $27 million of the Elementary and Secondary Emergency Education Relief Fund (ESSER III), the General Fund budget for 2022-23 provides for a 90-day fund balance at June 30, 2023.

The 2023-24 General Fund budget approved by the Board reflected a net surplus of $1.4 million. The budget presented reflects a reduction of $23.5 million of expenses to align with expected revenues. In considering strategic abandonment opportunities, the District is committed to maintain class ratios and prioritize the continuing effort to offer student access to programs.

The Board has authorized an efficiency audit to maintain the flexibility of conducting a VATRE in November 2023. If the Board were to call a VATRE, all proceeds would be used for staff compensation, and the decision will be dependent on any new funding that could be received due to the anticipated special sessions that the Governor may call to address school finance.

The proposed budget passed by both the Texas House and Senate during the 88th legislative session includes additional funding to the District for a safety allotment of $1.47 million and a Tier Two golden penny yield increase that results in an estimated $16.7 million of additional funding to the District.

TAX RATE LIMITATIONS

M&O TAX RATE LIMITATIONS . . . The District is authorized to levy an M&O tax rate pursuant to the approval of the voters of the District at an election held on March 19, 1963 in accordance with the provisions of Article 2784e-1, Texas Revised Civil Statutes Annotated, as amended.

The maximum M&O tax rate per $100 of taxable value that may be adopted by a school district is the sum of $0.17 and the school district's MCR. A school district's MCR is, generally, inversely proportional to the change in taxable property values both within the school district and the State, and is subject to recalculation annually. For any year, the highest possible MCR for a school district is $0.93 (see "TAX RATE LIMITATIONS – Public Hearing and Voter-Approval Tax Rate" and "CURRENT PUBLIC SCHOOL FINANCE SYSTEM – Local Funding for School Districts" herein.

Furthermore, a school district cannot annually increase its tax rate in excess of the school district's Voter-Approval Tax Rate without submitting such tax rate to an election and a majority of the voters voting at such election approving the adopted rate (see "TAX RATE LIMITATIONS – Public Hearing and Voter-Approval Tax Rate".

I&S TAX RATE LIMITATIONS . . . A school district is also authorized to issue bonds and levy taxes for payment of bonds subject to voter approval of one or more propositions submitted to the voters under Section 45.003(b)(1), Texas Education Code, as amended, which provides a tax unlimited as to rate or amount for the support of school district bonded indebtedness (see "SECURITY FOR THE NOTES".

Section 45.0031 of the Texas Education Code, as amended, requires a school district to demonstrate to the Texas Attorney General that it has the prospective ability to pay its maximum annual debt service on a proposed issue of bonds and all previously issued bonds, other than bonds approved by voters of a school district at an election held on or before April 1, 1991 and issued before September 1, 1992 (or debt issued to refund such bonds, collectively, "exempt bonds"), from a tax levied at a rate of $0.50 per $100 of assessed valuation before bonds may be issued (the "50-cent Test"). In demonstrating the ability to pay debt service at a rate of $0.50, a school district may take into account EDA and IFA allotments to the school district, which effectively reduces the school district's local share of debt service, and may also take into account Tier One funds allotted to the school district. If a school district exercises this option, it may not adopt an I&S tax until it has credited to the school district's I&S fund an amount equal to all State allotments provided solely for payment of debt service and any Tier One funds needed to demonstrate compliance with the threshold tax rate test and which is received or to be received in that year. Additionally, a school district may demonstrate its ability to comply with the 50-cent Test by applying the $0.50 tax rate to an amount equal to 90% of projected future taxable value of property in the school district, as certified by a registered professional appraiser, anticipated for the earlier of the tax year five (5) years after the current tax year or the tax year in which the final payment for the bonds is due. However, if a school district uses projected future taxable values to meet the 50-cent Test and subsequently imposes a tax at a rate greater than $0.50 per $100 of valuation to pay for bonds subject to the test, then for subsequent bond issues, the Texas Attorney General must find that the school district has the projected ability to pay principal and interest on the proposed bonds and all previously issued bonds subject to the 50-cent Test from a tax rate of $0.45 per $100 of valuation. Once the prospective ability to pay such tax has been shown and the bonds are issued, a school district may levy an unlimited tax to pay debt service. Taxes levied to pay refunding bonds issued pursuant to Chapter 1207, Texas Government Code (except refunding bonds issued to refund commercial paper notes such as the Notes), are not subject to the $0.50 tax rate test; however, taxes levied to pay debt service on such bonds (other than bonds issued to refund exempt bonds) are included in maximum annual debt service for calculation of the $0.50 threshold tax rate test when applied to subsequent bond issues. Under current law, a district may demonstrate its ability to comply with the $0.50 threshold tax rate test by applying the $0.50 tax rate to an amount equal to 90% of projected future taxable value of property in the district, as certified by a registered professional appraiser, anticipated for the earlier of the tax year five years after the current tax year or the tax year in which the final payment for the bonds is due. However, if a district uses projected future taxable values to meet the $0.50 threshold tax rate test and subsequently imposes a tax at a rate greater than $0.50 per $100 of valuation to pay for bonds subject to the test, then for subsequent bond issues, the Attorney General must find that the district has the projected ability to pay principal and interest on the proposed bonds and all previously issued bonds subject to the $0.50 threshold tax rate test from a tax rate of $0.45 per $100 of valuation. The District has not used projected property values or State assistance (other than EDA or IFA allotment funding) to satisfy this threshold test.

PUBLIC HEARING AND VOTER-APPROVAL TAX RATE . . . A school district's total tax rate is the combination of the M&O tax rate and the I&S tax rate. Generally, the highest rate at which a school district may levy taxes for any given year without holding an election to approve the tax rate is the "Voter-Approval Tax Rate", as described below.

A school district is required to adopt its annual tax rate before the later of September 30 or the sixtieth (60th) day after the date the certified appraisal roll is received by the taxing unit, except that a tax rate that exceeds the Voter-Approval Tax Rate must be adopted not later than the seventy-first (71st) day before the next occurring November uniform election date. A school district's failure to adopt a tax rate equal to or less than the Voter-Approval Tax Rate by September 30 or the sixtieth (60th) day after receipt of the certified appraisal roll, will result in the tax rate for such school district for the tax year to be the lower of the "no-new-revenue tax rate" calculated for that tax year or the tax rate adopted by the school district for the preceding tax year. A school district's failure to adopt a tax rate in excess of the Voter-Approval Tax Rate on or prior to the seventy-first (71st) day before the next occurring November uniform election date, will result in the school district adopting a tax rate equal to or less than its Voter-Approval Tax Rate by the later of September 30 or the sixtieth (60th) day after receipt of the certified appraisal roll. "No-new-revenue tax rate" means the rate that will produce the prior year's total tax levy from the current year's total taxable values, adjusted such that lost values are not included in the calculation of the prior year's taxable values and new values are not included in the current year's taxable values.

The Voter-Approval Tax Rate for a school district is the sum of (i) the school district's MCR; (ii) the greater of (a) the school district's Enrichment Tax Rate for the preceding year, less any amount by which the school district is required to reduce its current year Enrichment Tax Rate pursuant to Section 48.202(f), Education Code, as amended, or (b) the rate of $0.05 per $100 of taxable value; and (iii) the school district's current I&S tax rate. A school district's M&O tax rate may not exceed the rate equal to the sum of (i) $0.17 and (ii) the school district's MCR (see "CURRENT PUBLIC SCHOOL FINANCE SYSTEM" herein, for more information regarding the State Compression Percentage, MCR, and the Enrichment Tax Rate).

The governing body of a school district generally cannot adopt a tax rate exceeding the school district's Voter-Approval Tax Rate without approval by a majority of the voters approving the higher rate at an election to be held on the next uniform election date. Further, subject to certain exceptions for areas declared disaster areas, State law requires the board of trustees of a school district to conduct an efficiency audit before seeking voter approval to adopt a tax rate exceeding the Voter-Approval Tax Rate and sets certain parameters for conducting and disclosing the results of such efficiency audit. An election is not required for a tax increase to address increased expenditures resulting from certain natural disasters in the year following the year in which such disaster occurs; however, the amount by which the increased tax rate exceeds the school district's Voter-Approval Tax Rate for such year may not be considered by the school district in the calculation of its subsequent Voter-Approval Tax Rate.

The calculation of the Voter-Approval Tax Rate does not limit or impact the District's ability to set an I&S tax rate in each year sufficient to pay debt service on all of the District's tax-supported debt obligations, including the Notes.

Before adopting its annual tax rate, a public meeting must be held for the purpose of adopting a budget for the succeeding year. A notice of public meeting to discuss the school district's budget and proposed tax rate must be published in the time, format and manner prescribed in Section 44.004 of the Texas Education Code. Section 44.004(e) of the Texas Education Code provides that a person who owns taxable property in a school district is entitled to an injunction restraining the collection of taxes by the school district if the school district has not complied with such notice requirements or the language and format requirements of such notice as set forth in Section 44.004(b), (c), (c-1), (c-2), and (d), and, if applicable, subsection (i), and if such failure to comply was not in good faith. Section 44.004(e) further provides the action to enjoin the collection of taxes must be filed before the date the school district delivers substantially all of its tax bills. A school district that elects to adopt a tax rate before the adoption of a budget for the fiscal year that begins in the current tax year may adopt a tax rate for the current tax year before receipt of the certified appraisal roll, so long as the chief appraiser of the appraisal district in which the school district participates has certified to the assessor for the school district an estimate of the taxable value of property in the school district. If a school district adopts its tax rate prior to the adoption of its budget, both the no-new-revenue tax rate and the Voter-Approval Tax Rate of the school district shall be calculated based on the school district's certified estimate of taxable value. A school district that adopts a tax rate before adopting its budget must hold a public hearing on the proposed tax rate followed by another public hearing on the proposed budget rather than holding a single hearing on the two items.

A school district must annually calculate and prominently post on its internet website, and submit to the county tax assessor-collector for each county in which all or part of the school district is located its Voter-Approval Tax Rate in accordance with forms prescribed by the State Comptroller.

INFECTIOUS DISEASE OUTBREAK – COVID-19

The outbreak of COVID-19, characterized as a pandemic by the World Health Organization for over three years (the "Pandemic"), negatively affected travel, commerce, the global supply chain, and financial markets globally, and may continue to negatively affect economic growth and financial markets worldwide.

On April 10, 2023, the President of the United States signed into law a bill that ended the national emergency declaration resulting from COVID-19, a respiratory disease caused by a strain of coronavirus, and on May 5, 2023, the World Health Organization declared the outbreak of COVID-19 over as a global health emergency. However COVID-19 continues to affect many parts of the world, including the United States and the State.

During the 2021-2022 school year, District funding generally returned to ADA-based funding. Pursuant to Texas Education Code, §25.081(b), the State Commissioner of Education approved a reduction in the minimum number of required minutes of operation for all school districts during the first through fourth six-week attendance reporting periods of the 2021–2022 school year. This adjustment ensured stabilized percentage attendance rates comparable to a more typical school year, rather than the low percentage attendance rates caused by the ongoing COVID-19 pandemic. This was a one-time adjustment for 2021-2022 school year offered solely for funding purposes. The District benefited by approximately $9.2 million in ADA funding from the reduction in the required minutes of operation.

In 2020 and 2021, Congress passed three stimulus bills, the Elementary and Secondary Emergency Education Relief Fund ("ESSER I"), the Elementary and Secondary School Emergency Relief Fund ("ESSER II") and the American Rescue Plan Elementary and Secondary School Emergency Relief Fund ("ESSER III"), that provided funding focused on school districts reopening and operating safely, as well as, addressing the impact of the coronavirus pandemic on students. The District was allocated ESSER I funding in the amount of $9.0 million, ESSER II funding in the amount of $42.2 million, and ESSER III funding in the amount of $94.7 million.

The Pandemic negatively affected travel, commerce, and financial markets globally, and may continue to negatively affect economic growth and financial markets worldwide. While the District has experienced growth in its taxable assessed valuation during the Pandemic, a continuation of the Pandemic and the economic impact of the Pandemic could in the future reduce or negatively affect property values within the District. With the changes made to the Finance System in HB 3, school funding is increasingly tied to ADA. As a result, student enrollment will be an important factor for M&O funding for the District going forward. See "APPENDIX A – GENERAL INFORMATION REGARDING THE DISTRICT." The return to funding based on actual attendance as the District transitions back from Pandemic operations may have a negative impact on revenues available to the District for operations and maintenance. The Bonds are secured by an unlimited ad valorem tax, and a reduction in property values may require an increase in the ad valorem tax rate required to pay the Bonds as well as the District's share of operations and maintenance expenses payable from ad valorem taxes.

Additionally, State funding of District operations and maintenance in future fiscal years could be adversely impacted by the negative effects on economic growth and financial markets resulting from the Pandemic or disruptions in the global oil markets. See "CURRENT PUBLIC SCHOOL FINANCE SYSTEM."

For a discussion of the impact of the Pandemic on the PSF, see "APPENDIX D - THE PERMANENT SCHOOL FUND GUARANTEE PROGRAM – Infectious Disease Outbreak."

WEATHER EVENTS

The District is located near the Texas Gulf Coast. Land located in this area is susceptible to, and land within the District has experienced on several occasions in the last five years, high winds, heavy rain and flooding caused by hurricanes, tropical storms, and other tropical disturbances. If a future weather event significantly damaged all or part of the properties comprising the tax base within the District, the assessed value of property within the District could be substantially reduced, which could result in a decrease in tax revenues and/or necessitate an increase the District's tax rate. Texas law allows school districts to increase property tax rates without voter approval upon the occurrence of certain disasters such as floods and upon a gubernatorial or presidential declaration of disaster. See "TAX RATE LIMITATIONS – Public Hearing and Voter-Approval Tax Rate." There can be no assurance that a casualty loss to taxable property within the District will be covered by insurance (or that property owners will even carry flood or other casualty insurance), that any insurance company will fulfill its obligation to provide insurance proceeds, or that insurance proceeds will be used to rebuild or repair any damaged improvements within the District. Even if insurance proceeds are available and improvements are rebuilt, there could be a lengthy period in which assessed values within the District could be adversely affected.

CYBERSECURITY

The District, like other school districts in the State, utilize technology in conducting its operations. As a user of technology, the District potentially faces cybersecurity threats (e.g., hacking, phishing, viruses, malware and ransomware) on its technology systems. Accordingly, the District may be the target of a cyber-attack on its technology systems that could result in adverse consequences to the District. The District employs a multi-layered approach to combating cybersecurity threats. While the District deploys layered technologies and requires employees to receive cybersecurity training, as required by State law, among other efforts, cybersecurity breaches could cause material disruptions to the District's finances or operations. The costs of remedying such breaches or protecting against future cyber-attacks could be substantial and there is no assurance that these costs will be covered by insurance. Further, cybersecurity breaches could expose the District to litigation and other legal risks, which could cause the District to incur other costs related to such legal claims or proceedings.

AD VALOREM PROPERTY TAXATION

The following is a summary of certain provisions of State law as it relates to ad valorem taxation and is not intended to be complete. Prospective investors are encouraged to review Title I of the Texas Tax Code, as amended (the "Property Tax Code"), for identification of property subject to ad valorem taxation, property exempt or which may be exempted from ad valorem taxation if claimed, the appraisal of property for ad valorem tax purposes, and the procedures and limitations applicable to the levy and collection of ad valorem taxes.

VALUATION OF TAXABLE PROPERTY . . . The Property Tax Code provides for countywide appraisal and equalization of taxable property values and establishes in each county of the State an appraisal district and an appraisal review board (the "Appraisal Review Board") responsible for appraising property for all taxing units within the county. The appraisal of property within the District is the responsibility of the Fort Bend Central Appraisal District (the "Appraisal District"). Except as generally described below, the Appraisal District is required to appraise all property within the Appraisal District on the basis of 100% of its market value and is prohibited from applying any assessment ratios. In determining market value of property, the Appraisal District is required to consider the cost method of appraisal, the income method of appraisal and the market data comparison method of appraisal, and use the method the chief appraiser of the Appraisal District considers most appropriate. The Property Tax Code requires appraisal districts to reappraise all property in its jurisdiction at least once every three (3) years. A taxing unit may require annual review at its own expense, and is entitled to challenge the determination of appraised value of property within the taxing unit by petition filed with the Appraisal Review Board.

State law requires the appraised value of an owner's principal residence ("homestead" or "homesteads") to be based solely on the property's value as a homestead, regardless of whether residential use is considered to be the highest and best use of the property. State law further limits the appraised value of a homestead to the lesser of (1) the market value of the property or (2) 110% of the appraised value of the property for the preceding tax year plus the market value of all new improvements to the property.

State law provides that eligible owners of both agricultural land and open-space land, including open-space land devoted to farm or ranch purposes or open-space land devoted to timber production, may elect to have such property appraised for property taxation on the basis of its productive capacity. The same land may not be qualified as both agricultural and open-space land.

The appraisal values set by the Appraisal District are subject to review and change by the Appraisal Review Board. The appraisal rolls, as approved by the Appraisal Review Board, are used by taxing units, such as the District, in establishing their tax rolls and tax rates (see "TAX INFORMATION – District and Taxpayer Remedies").

STATE MANDATED HOMESTEAD EXEMPTIONS . . . State law grants, with respect to each school district in the State, (1) a $40,000 exemption of the appraised value of all homesteads, (2) a $10,000 exemption of the appraised value of the homesteads of persons sixty-five (65) years of age or older and the disabled, and (3) various exemptions for disabled veterans and their families, surviving spouses of members of the armed services killed in action and surviving spouses of first responders killed or fatally wounded in the line of duty.

LOCAL OPTION HOMESTEAD EXEMPTIONS . . . The governing body of a taxing unit, including a city, county, school district, or special district, at its option may grant: (1) an exemption of up to 20% of the appraised value of all homesteads (but not less than $5,000) and (2) an additional exemption of at least $3,000 of the appraised value of the homesteads of persons sixty-five (65) years of age or older and the disabled. Each taxing unit decides if it will offer the local option homestead exemptions and at what percentage or dollar amount, as applicable.

STATE MANDATED FREEZE ON SCHOOL DISTRICT TAXES . . . Except for increases attributable to certain improvements, a school district is prohibited from increasing the total ad valorem tax on the homestead of persons sixty-five (65) years of age or older or of disabled persons above the amount of tax imposed in the year such homestead qualified for such exemption. This freeze is transferable to a different homestead if a qualifying taxpayer moves and, under certain circumstances, is also transferable to the surviving spouse of persons sixty-five (65) years of age or older, but not the disabled.

On May 7, 2022, a constitutional amendment was approved by voters of the State authorizing the legislature to provide for the reduction of the amount of a limitation on the total amount of ad valorem taxes that may be imposed for general elementary and secondary public school purposes on the residence homestead of a person who is 65 years old or older or disabled to reflect any statutory reduction from the preceding tax year in the MCR (defined herein) of the maintenance and operations taxes imposed for those purposes on the homestead, effective for the tax year beginning January 1, 2023. See "CURRENT PUBLIC SCHOOL FINANCE SYSTEM – Local Funding for School Districts."

PERSONAL PROPERTY . . . Tangible personal property (furniture, machinery, supplies, inventories, etc.) used in the "production of income" is taxed based on the property's market value. Taxable personal property includes income-producing equipment and inventory. Intangibles such as goodwill, accounts receivable, and proprietary processes are not taxable. Tangible personal property not held or used for production of income, such as household goods, automobiles or light trucks, and boats, is exempt from ad valorem taxation unless the governing body of a taxing unit elects to tax such property.

FREEPORT AND GOODS-IN-TRANSIT EXEMPTIONS . . . Certain goods that are acquired in or imported into the State to be forwarded outside the State, and are detained in the State for 175 days or less for the purpose of assembly, storage, manufacturing, processing or fabrication ("Freeport Property") are exempt from ad valorem taxation unless a taxing unit took official action to tax Freeport Property before April 1, 1990 and has not subsequently taken official action to exempt Freeport Property. Decisions to continue taxing Freeport Property may be reversed in the future; decisions to exempt Freeport Property are not subject to reversal.

Certain goods, that are acquired in or imported into the State to be forwarded to another location within or outside the State, stored in a location that is not owned by the owner of the goods and are transported to another location within or outside the State within 175 days ("Goods-in-Transit"), are generally exempt from ad valorem taxation; however, the Property Tax Code permits a taxing unit, on a local option basis, to tax Goods-in-Transit if the taxing unit takes official action, after conducting a public hearing, before January 1 of the first tax year in which the taxing unit proposes to tax Goods-in-Transit. Goods-in-Transit and Freeport Property do not include oil, natural gas or petroleum products, and Goods-in-Transit does not include aircraft or special inventories such as manufactured housing inventory, or a dealer's motor vehicle, boat, or heavy equipment inventory.

A taxpayer may receive only one of the Goods-in-Transit or Freeport Property exemptions for items of personal property.

OTHER EXEMPT PROPERTY . . . Other major categories of exempt property include property owned by the State or its political subdivisions if used for public purposes, property exempt by federal law, property used for pollution control, farm products owned by producers, property of nonprofit corporations used for scientific research or educational activities benefitting a college or university, designated historic sites, solar and wind-powered energy devices, and certain classes of intangible personal property.

TEMPORARY EXEMPTION FOR QUALIFIED PROPERTY DAMAGED BY A DISASTER . . . Property Tax Code entitles the owner of certain qualified (i) tangible personal property used for the production of income, (ii) improvements to real property, and (iii) manufactured homes located in an area declared by the Governor to be a disaster area following a disaster and is at least 15 percent damaged by the disaster, as determined by the chief appraiser, to an exemption from taxation of a portion of the appraised value of the property. The amount of the exemption ranges from 15 percent to 100 percent based upon the damage assessment rating assigned by the chief appraiser. The governing body of the taxing unit is not required to take any action in order for the taxpayer to be eligible for the exemption. If a taxpayer qualifies for the exemption after the beginning of the tax year, the amount of the exemption is prorated based on the number of days left in the tax year following the day on which the Governor declares the area to be a disaster area. For more information on the exemption, reference is made to Section 11.35 of the Tax Code.

TAX INCREMENT REINVESTMENT ZONES . . . A city or county, by petition of the landowners or by action of its governing body, may create one or more tax increment reinvestment zones ("TIRZ") within its boundaries. At the time of the creation of the TIRZ, a "base value" for the real property in the TIRZ is established and the difference between any increase in the assessed valuation of taxable real property in the TIRZ in excess of the base value is known as the "tax increment". During the existence of the TIRZ, all or a portion of the taxes levied against the tax increment by a city or county, and all other overlapping taxing units that elected to participate, are restricted to paying only planned project and financing costs within the TIRZ and are not available for the payment of other obligations of such taxing units.

Until September 1, 1999, school districts were able to reduce the value of taxable property reported to the State to reflect any taxable value lost due to TIRZ participation by the school district. The ability of the school district to deduct the taxable value of the tax increment that it contributed prevented the school district from being negatively affected in terms of state school funding. However, due to a change in law, local M&O tax rate revenue contributed to a TIRZ created on or after May 31, 1999 will count toward a school district's Tier One entitlement (reducing Tier One State funds for eligible school districts) and will not be considered in calculating any school district's Tier Two entitlement (see "CURRENT PUBLIC SCHOOL FINANCE SYSTEM – State Funding for School Districts").

TAX LIMITATION AGREEMENTS . . . The Texas Economic Development Act (Chapter 313, Texas Tax Code, as amended), allows school districts to grant limitations on appraised property values to certain corporations and limited liability companies to encourage economic development within the school district. Generally, during the last eight (8) years of the ten-year term of a tax limitation agreement, a school district may only levy and collect M&O taxes on the agreed-to limited appraised property value. For the purposes of calculating its Tier One and Tier Two entitlements, the portion of a school district's property that is not fully taxable is excluded from the school district's taxable property values. Therefore, a school district will not be subject to a reduction in Tier One or Tier Two State funds as a result of lost M&O tax revenues due to entering into a tax limitation agreement (see "CURRENT PUBLIC SCHOOL FINANCE SYSTEM – State Funding for School Districts").

During the Regular Session of the 88th Texas Legislature, House Bill 5 ("HB 5") was enacted into law. HB 5 is intended as a replacement of former Chapter 313, Texas Tax Code ("Chapter 313"), but it contains significantly different provisions than the prior program under Chapter 313. Under HB 5, a school district may offer a 50% abatement on taxable value for maintenance and operations property taxes for certain eligible projects, except that projects in a federally designated economic opportunity zone receive a 75% abatement. HB 5 also provides a 100% abatement of maintenance and operations taxes for eligible property during a project's construction period. Taxable valuation for purposes of the debt services taxes securing the Bonds cannot be abated under HB 5. Eligible projects must relate to manufacturing, provision of utility services, dispatchable electric generation (such as non-renewable energy), development of natural resources, critical infrastructure, or research and development for high-tech equipment or technology, and projects must create and maintain jobs and meet certain minimum investment requirements. The District is still in the process of reviewing HB 5 and cannot make any representations as to what impact, if any, HB 5 will have on its finances or

operations. For a discussion of how the various exemptions described above are applied by the District, see "TAX INFORMATION – District Application of Tax Code" herein.

For a discussion of how the various exemptions described above are applied by the District, see "AD VALOREM PROPERTY TAXATION – District Application of Tax Code" herein.

DISTRICT AND TAXPAYER REMEDIES . . . Under certain circumstances, taxpayers and taxing units, including the District, may appeal the determinations of the Appraisal District by timely initiating a protest with the Appraisal Review Board. Additionally, taxing units such as the District may bring suit against the Appraisal District to compel compliance with the Property Tax Code.

Owners of certain property with a taxable value in excess of the current year "minimum eligibility amount", as determined by the State Comptroller, and situated in a county with a population of one million or more, may protest the determinations of an appraisal district directly to a three-member special panel of the appraisal review board, appointed by the chairman of the appraisal review board, consisting of highly qualified professionals in the field of property tax appraisal. The minimum eligibility amount is set at $57,216,456 million for the 2023 tax year, and is adjusted annually by the State Comptroller to reflect the inflation rate.

The Property Tax Code sets forth notice and hearing procedures for certain tax rate increases by the District and provides for taxpayer referenda that could result in the repeal of certain tax increases (see "TAX RATE LIMITATIONS – Public Hearing and Voter-Approval Tax Rate". The Property Tax Code also establishes a procedure for providing notice to property owners of reappraisals reflecting increased property value, appraisals which are higher than renditions, and appraisals of property not previously on an appraisal roll.

LEVY AND COLLECTION OF TAXES . . . The District is responsible for the collection of its taxes, unless it elects to transfer such functions to another governmental entity. Taxes are due October 1, or when billed, whichever comes later, and become delinquent after January 31 of the following year. A delinquent tax incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of twelve percent (12%) regardless of the number of months the tax has been delinquent and incurs an additional penalty of up to twenty percent (20%) if imposed by the District. The delinquent tax also accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Property Tax Code also makes provision for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes for certain taxpayers. Furthermore, the District may provide, on a local option basis, for the split payment, partial payment, and discounts for early payment of taxes under certain circumstances. The Property Tax Code permits taxpayers owning homes or certain businesses located in a disaster area and damaged as a direct result of the declared disaster to pay taxes imposed in the year following the disaster in four equal installments without penalty or interest, commencing on February 1 and ending on August 1.

DISTRICT'S RIGHTS IN THE EVENT OF TAX DELINQUENCIES. . . Taxes levied by the District are a personal obligation of the owner of the property. On January 1 of each year, a tax lien attaches to property to secure the payment of all state and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of each taxing unit, including the District, having power to tax the property. The District's tax lien is on a parity with tax liens of such other taxing units. A tax lien on real property takes priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the District is determined by applicable federal law. Personal property, under certain circumstances, is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest.

At any time after taxes on property become delinquent, the District may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the District must join other taxing units that have claims for delinquent taxes against all or part of the same property.

Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, adverse market conditions, taxpayer redemption rights, or bankruptcy proceedings which restrain the collection of a taxpayer's debt.

Federal bankruptcy law provides that an automatic stay of actions by creditors and other entities, including governmental units, goes into effect with the filing of any petition in bankruptcy. The automatic stay prevents governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In many cases, post-petition taxes are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

DISTRICT APPLICATION OF TAX CODE . . . The District does not grant a local option exemptions of the market value of all residence homesteads or the market value of the residence homestead of persons 65 years of age or older and the disabled.

The District does not permit split payments, and discounts are not allowed.

The District does not tax Freeport Property.

The District has taken action to tax Goods-in-Transit.

The District does not participate in a TIRZ.

The District does not offer tax abatements.

The District does not tax nonbusiness personal property.

TAX MATTERS

The following discussion of certain federal income tax considerations is for general information only and is not tax advice. Each prospective purchaser of the Notes should consult its own tax advisor as to the tax consequences of the acquisition, ownership and disposition of the Notes.

TAX EXEMPTION . . . Bond Counsel stated in an opinion (the "Original Opinion") dated April 15, 2019, that, under existing law on such date, (i) interest on the Bonds would be excludable from gross income for federal income tax purposes and (ii) the Bonds would not be "private activity bonds" under the Code, and, as such, interest on the Bonds would not be subject to the alternative minimum tax on individuals and corporations. The form of Bond Counsel's Original Opinion is reproduced as Appendix C hereto. The statutes, regulations, rulings, and court decisions on which such opinion was based are subject to change. Since the date of the Original Opinion, federal tax law has changed such that ownership of the Bonds could subject a corporation to alternative minimum tax consequences, as described below under "Additional Federal Income Tax Considerations - Collateral Tax Consequences". Bond Counsel's Original Opinion does not cover the effect on excludability of interest of subsequent action that, under the terms of the Order, may be taken only upon receipt of an opinion of counsel of nationally recognized standing in the field of municipal bond law.

The Code imposes a number of requirements that must be satisfied for interest on state or local obligations, such as the Notes, to be excludable from gross income for federal income tax purposes. These requirements include limitations on the use of proceeds and the source of repayment, limitations on the investment of proceeds prior to expenditure, a requirement that excess arbitrage earned on the investment of proceeds be paid periodically to the United States, and requirement that the issuer file an information report with the Internal Revenue Service (the "Service"). The District has covenanted in the Order that it will comply with these requirements.

Bond Counsel's opinion assumes continuing compliance with the covenants of the Order pertaining to those sections of the Code which affect the excludability of interest on the Notes from gross income for federal income tax purposes and, in addition, will rely on representations by the District, the District's Financial Advisor and the Underwriters, with respect to matters solely within the knowledge of the District, the District's Financial Advisor and the Underwriters, respectively, which Bond Counsel has not independently verified. If the District should fail to comply with the covenants in the Order or if the foregoing representations should be determined to be inaccurate or incomplete, interest on the Notes could become includable in gross income from the date of delivery of the Notes, regardless of the date on which the event causing such inclusion occurs.

Except as stated above, Bond Counsel expresses no opinion as to the amount of interest on the Notes or any federal, state or local tax consequences resulting from the receipt or accrual of interest on, or acquisition, ownership or disposition of, the Notes. Certain actions may be taken or omitted subject to the terms and conditions set forth in the Note Order upon the advice or with the approving opinion of Bond Counsel. Bond Counsel expresses no opinion with respect to Bond Counsel's ability to render an opinion that such actions, if taken or omitted, will not adversely affect the excludability of interest of the Notes from gross income for federal income tax purposes.

Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on Bond Counsel's knowledge of facts as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of result and are not binding on the Service; rather, such opinions represent Bond Counsel's legal judgment based upon its review of existing law and in reliance upon the representations and covenants referenced above that it deems relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given as to whether or not the Service will commence an audit of the Notes. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the District as the taxpayer and the Owners may not have a right to participate in such audit. Public awareness of any future audit of the Notes could adversely affect the value and liquidity of the Notes regardless of the ultimate outcome of the audit.

ADDITIONAL FEDERAL INCOME TAX CONSIDERATIONS

COLLATERAL TAX CONSEQUENCES. Prospective purchasers of the Notes should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences, including but not limited those noted below. Therefore, prospective purchasers of the Notes should consult their own tax advisors as to the tax consequences of the acquisition, ownership and disposition of the Notes.

For tax years beginning after December 31, 2022, an "applicable corporation" (as defined in section 59(k) of the Code) may be subject to a 15% alternative minimum tax imposed under section 55 of the Code on its "adjusted financial statement income" (as defined in section 56A of the Code) for such taxable year. Because interest on tax-exempt obligations, such as the Notes, is included

in a corporation's "adjusted financial statement income," ownership of the Notes could subject certain corporations to alternative minimum tax consequences.

Ownership of tax-exempt obligations also may result in collateral federal income tax consequences to financial institutions, life insurance and property and casualty insurance companies, certain S corporations with Subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, low and middle income taxpayers otherwise qualifying for the health insurance premium assistance credit and individuals otherwise qualifying for the earned income tax credit. In addition, certain foreign corporations doing business in the United States may be subject to the "branch profits tax" on their effectively connected earnings and profits, including tax-exempt interest such as interest on the Notes.

Prospective purchasers of the Notes should also be aware that, under the Code, taxpayers are required to report on their returns the amount of tax-exempt interest, such as interest on the Notes, received or accrued during the year.

TAX LEGISLATIVE CHANGES. Current law may change so as to directly or indirectly reduce or eliminate the benefit of the excludability of interest on the Notes from gross income for federal income tax purposes. Any proposed legislation, whether or not enacted, could also affect the value and liquidity of the Notes. Prospective purchasers of the Notes should consult with their own tax advisors with respect to any recently-enacted, proposed, pending or future legislation.

CONTINUING DISCLOSURE OF INFORMATION

The offering of the Notes is exempt from the continuing disclosure and material event notice requirements of SEC Rule 15c2-12 (the "Rule") pursuant to paragraph (d)(ii) of the Rule, because (1) the Notes are in authorized denominations of $100,000 or more and (2) the Notes have a maturity of nine months or less. Accordingly, the District will not contract to provide continuing information to investors after it issues the Notes. However, in connection with its other bonds and notes publically sold in the municipal capital markets, the District does file continuing disclosure information on an annual basis with the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access ("EMMA") system. Access to such filings will be provided, without charge to the general public, by the MSRB at www.emma.msrb.org.

Under current Texas law, including, but not limited to, Chapter 44, as amended, Texas Education Code, the District must keep its fiscal records in accordance with generally accepted accounting principles, must have its financial accounts and records audited by a certified or permitted public accountant and must file each audit report with the Texas Education Agency within 150 days after the close of the District's fiscal year (currently ending June 30 of each year). Copies of each audit report must also be filed in the office of the District and with the Board Secretary. The District's fiscal records and audit reports are available for public inspection during the regular business hours of the Superintendent of Schools. Additionally, upon the filing of these financial statements and the annual audit, these documents are subject to the Texas Public Information Act, as amended, Texas Government Code, Chapter 552. Thereafter, any person may obtain copies of these documents upon submission of a written request to the Superintendent of Schools at Fort Bend Independent School District, 16431 Lexington Boulevard, Sugar Land, Texas 77479 and upon paying the reasonable copying, handling, and delivery charges for providing this information. In addition, the District's annual audit is posted on its website at www.fortbendisd.com.

RATINGS

The Notes have been rated "F1+" by Fitch Ratings ("Fitch") and "A-1+" by S&P Global Ratings ("S&P"). The presently outstanding tax-supported debt of the District is rated "AA+" by Fitch and "AA+" by S&P without regard to credit enhancement. The District also has 19 issues outstanding which are rated "AAA" by Fitch and "AAA" by S&P by virtue of the guarantee of the Permanent School Fund of the State of Texas. The District has one issue that is not rated.

The rating agencies may have obtained and considered information and material that have not been included in this Offering Memorandum. Generally, the rating agencies base their ratings on information and material so furnished and on investigations, studies and assumption made by them. The ratings are not a recommendation to buy, sell or hold the Notes. The ratings reflect only the views of the rating agencies and an explanation of the significance of such ratings may be obtained from them. No assurance can be given that the ratings will be maintained for any given period of time or that the ratings may not be revised downward or withdrawn entirely by the rating agencies, if, in their judgment, circumstances warrant. Any such downward change in or withdrawal of the ratings may have an adverse effect on the market price of the Notes. The Dealer, the Liquidity Provider and the District have undertaken no responsibility after the offering of the Notes to assure the maintenance of the ratings or to oppose any such revision or withdrawal.

FINANCIAL STATEMENTS

Excerpts of the basic financial statements of the District for the year ended June 30, 2022, included in this Offering Memorandum in APPENDIX A have been audited by Whitley Penn LLP. The District has not requested Whitley Penn LLP to reissue its report related to the financial statements and Whitley Penn LLP has not performed any procedures in connection with this Offering Memorandum.

LITIGATION

The District is not a party to any litigation or other proceeding pending or to its knowledge, threatened, in any court, agency or other administrative body (either state or federal) which, if decided adversely to the District, would have a material adverse effect on the financial condition of the District.

MISCELLANEOUS

NO DEALER, BROKER, SALESMAN, OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION OTHER THAN AS CONTAINED IN THIS OFFERING MEMORANDUM IN CONNECTION WITH THE OFFERING DESCRIBED HEREIN AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED. THIS OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OTHER THAN THE NOTES OFFERED HEREBY, NOR SHALL THERE BE ANY OFFER OR SOLICITATION OF SUCH OFFER OR SALE OF NOTES IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION, OR SALE. NEITHER THE DELIVERY OF THIS OFFERING MEMORANDUM NOR THE SALE OF ANY OF THE NOTES IMPLIES THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF. THE INFORMATION CONTAINED HEREIN HAS BEEN OBTAINED FROM THE DISTRICT, PUBLISHED SOURCES, AND OTHER DATA FURNISHED BY THE DISTRICT. THE DEALER MAKES NO REPRESENTATION AS TO EITHER THE ACCURACY OR COMPLETENESS OF THE INFORMATION HEREIN. ADDITIONAL COPIES OF THIS OFFERING MEMORANDUM MAY BE REQUESTED FROM THE DEALER REPRESENTATIVE USING THE CONTACT INFORMATION PROVIDED BELOW.

For Information – Please Contact: Citigroup Global Markets Inc.
James Sears or Morgan Parker, (212) 723-6252

EXCEPT FOR INFORMATION CONTAINED IN APPENDIX B TO THIS OFFERING MEMORANDUM, THE BANK ASSUMES NO RESPONSIBILITY FOR THIS OFFERING MEMORANDUM AND HAS NOT REVIEWED OR UNDERTAKEN TO VERIFY ANY INFORMATION CONTAINED HEREIN.

APPENDIX A

EXCERPTS OF THE DISTRICT'S BASIC FINANCIAL STATEMENTS FOR FISCAL YEAR ENDING JUNE 30, 2022

APPENDIX B

CERTAIN INFORMATION REGARDING JPMORGAN CHASE BANK, NATIONAL ASSOCIATION

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION

JPMorgan Chase Bank, National Association, a national banking association ("JPMorgan Chase Bank, N.A.), is the principal bank subsidiary of JPMorgan Chase & Co. JPMorgan Chase Bank, N.A., offers a wide range of banking services to its customers both in the United States and internationally, including investment banking, financial services for consumers and small businesses, commercial banking, financial transaction processing and asset management.

JPMorgan Chase Bank, N.A. is chartered and its business is subject to examination and regulation by the Office of the Comptroller of the Currency, a bureau of the U.S. Department of the Treasury. As of December 31, 2022, JPMorgan Chase Bank, N.A. had total assets of $3.2 trillion and total stockholder's equity of $303.6 billion.

JPMorgan Chase Bank, N.A. files quarterly Consolidated Reports of Condition and Income for A Bank With Domestic and Foreign Offices ("Call Reports") with the Federal Financial Institutions Examinations Council (the "FFIEC"). The non-confidential portions of the Call Reports can be viewed on the FFIEC's website at https://cdr.ffiec.gov/public. The Call Reports are prepared in accordance with regulatory instructions issued by the FFIEC and do not in all cases conform to U.S. generally accepted accounting principles ("GAAP").

Additional information concerning JPMorgan Chase Bank, N.A., including the Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed by JPMorgan Chase & Co. with the Securities and Exchange Commission (the "SEC"), as they become available, can be viewed on the SEC's website at www.sec.gov. Those reports and additional information concerning JPMorgan Chase Bank, N.A. can also be viewed on JPMorgan Chase & Co.'s investor relations website at https://www.jpmorganchase.com/corporate/investor- relations/investor-relations.htm.

The information contained in this Appendix relates to and has been obtained from JPMorgan Chase Bank, N.A. The delivery of the Official Statement shall not create any implication that there has been no change in the affairs of JPMorgan Chase Bank, N.A. since the date hereof, or that the information contained or referred to in this Appendix is correct as of any time subsequent to its date.

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APPENDIX C

DESCRIPTION OF THE BOOK-ENTRY-ONLY SYSTEM

DESCRIPTION OF THE BOOK-ENTRY-ONLY SYSTEM

This section describes how ownership of the Notes is to be transferred and how the principal of, premium, if any, and interest on the Notes are to be paid to and accredited by DTC while the Notes are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by sources the District, Dealer, and Financial Advisor believe to be reliable, but the District, Dealer, and Financial Advisor take no responsibility for the accuracy thereof.

The District, the Dealer, the Bank, and the Financial Advisor cannot and do not give any assurance that (1) DTC will distribute payments of debt service on the Notes, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Notes), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Offering Memorandum. The current rules applicable to DTC are on file with the United States Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Notes. The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully registered certificate will be issued for each maturity of the Notes in the aggregate principal amount of each such maturity and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each Note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Note documents. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Notes within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Issuing and Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Notes held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Issuing and Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Issuing and Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the District or the Issuing and Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Note certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Note certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry-only system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

[The remainder of this page is intentionally left blank.]

APPENDIX D

FORM OF OPINION OF BOND COUNSEL

EXHIBIT C

DTC Letter of Representations

The Depository Trust Company
A subsidiary of The Depository Trust & Clearing Corporation

Book-Entry-Only Municipal Tax-Exempt Commercial Paper (TECP) (Master Note) Program

Letter of Representations

[To be completed by Issuer, Issuing Agent, and Paying Agent]

Fort Bend Independent School District
[Name of Issuer]

ZB, National Association #1586
[Name and DTC Participant Number of Issuing Agent and Transfer Agent]

October 17, 2016
[Date]

Attention: Underwriting Department
The Depository Trust Company
570 Washington Blvd, 4th FL
Jersey City, NJ 07310

Re: Fort Bend Independent School District
Unlimited Tax Commercial Paper Notes, Series A

3 (a) (2)
[Description of Program, including reference to the provision of the Securities Act of 1933, as amended, pursuant to which Program is exempt from registration.]

Ladies and Gentlemen:

This letter sets forth our understanding with respect to certain matters relating to the issuance by Issuer from time to time of notes under its Municipal Commercial Paper--TECP program described above (the "Securities"). Issuing Agent shall act as issuing agent with respect to the Securities. Paying Agent shall act as paying agent or other such agent of Issuer with respect to the Securities. Issuance of the Securities has been authorized pursuant to a prospectus supplement, offering circular, or other such document dated October 17, 2016.

Paying Agent has entered into a Money Market Instrument Certificate Agreement with The Depository Trust Company ("DTC") dated as of June 1, 1998, pursuant to which Paying Agent shall act as custodian of a Master Note Certificate evidencing the Securities, when issued. Paying Agent shall amend Exhibit A to such Certificate Agreement to include the program described above, prior to issuance of the Securities.

To induce DTC to accept the Securities as eligible for deposit at DTC and to act in

accordance with its Rules with respect to the Securities, Issuer, Issuing Agent, and Paying Agent make the following representations to DTC:

1. The Securities shall be evidenced by a Master Note Certificate in registered form registered in the name of DTC's nominee, Cede & Co., and such Master Note Certificate shall represent 100% of the principal amount of the Securities. The Master Note Certificate shall include the substance of all material provisions set forth in the DTC model Municipal Commercial Paper -- TECP Master Note, a copy of which previously has been furnished to Issuing Agent and Paying Agent, and may include additional provisions as long as they do not conflict with the material provisions set forth in the DTC model.

2. Issuer: (a) understands that DTC has no obligation to, and will not, communicate to its participants ("Participants") or to any person having an interest in the Securities any information contained in the Master Note Certificate; and (b) acknowledges that neither DTC's Participants nor any person having an interest in the Securities shall be deemed to have notice of the provisions of the Master Note Certificate by virtue of submission of such Certificate to DTC.

3. Issuer or Issuing Agent has obtained from the CUSIP Service Bureau a written list of approximately 900 nine-character numbers (the basic first six characters of which are the same and uniquely identify Issuer and the Securities to be issued under its Municipal Commercial Paper -- TECP program described above). The CUSIP numbers on such list have been reserved for future assignment to issues of the Securities. At any time when fewer than 100 of the CUSIP numbers on such list remain unassigned, Issuer or Issuing Agent shall promptly obtain from the CUSIP Service Bureau an additional written list of approximately 900 such numbers.

4. When Securities are to be issued through DTC, Issuing Agent shall notify Paying Agent and shall give issuance instructions to DTC in accordance with DTC's Procedures, including Operational Arrangements and the Issuing/Paying Agent General Operating Procedures (the "MMI Procedures"), a copy of which previously has been furnished to Issuing Agent and Paying Agent. The giving of such issuance instructions, which include delivery instructions, to DTC shall constitute: (a) a representation that the Securities are issued in accordance with applicable law; and (b) a confirmation that the Master Note Certificate evidencing such Securities, in the form described in paragraph 1, has been issued and authenticated.

5. All notices and payment advises sent to DTC shall contain the CUSIP number of the Securities.

6. Issuer recognizes that DTC does not in any way undertake to, and shall not have any responsibility to, monitor or ascertain the compliance of any transactions in the Securities with the following, as amended from time to time: (a) any exemptions from registration under the Securities Act of 1933; (b) the Investment Company Act of 1940; (c) the Employee Retirement Income Security Act of 1974; (d) the Internal Revenue Code of 1986; (e) any rules of any self-regulatory organizations (as defined under the Securities Exchange Act of 1934); or (f) any other local, state, federal, or foreign laws or regulations thereunder.

7. If issuance of Securities through DTC is scheduled to take place one or more days after Issuing Agent has given issuance instructions to DTC, Issuing Agent may cancel such issuance by giving a cancellation instruction to DTC in accordance with the MMI Procedures.

8. At any time that Paying Agent has Securities in its DTC accounts, it may request withdrawal of such Securities from DTC by giving a withdrawal instruction to DTC in accordance with the MMI Procedures. Upon DTC's acceptance of such withdrawal instruction, Paying Agent shall reduce the principal amount of the Securities evidenced by the Master Note Certificate accordingly.

9. In the event of any solicitation of consents from or voting by holders of the Securities, Issuer, Issuing Agent, or Paying Agent shall establish a record date for such purposes (with no provision for revocation of consents or votes by subsequent holders) and shall send notice of such record date to DTC's Reorganization Department, Proxy Unit no fewer than 15 calendar days in advance of such record date. If sent by telecopy, such notice shall be directed to (212) 855-5181 or (212) 855-5182. If the party sending the notice does not receive a telecopy receipt from DTC such party shall confirm DTC's receipt of such telecopy by telephoning (212) 855-5187. For information regarding such notices, telephone The Depository Trust and Clearing Corporation's Proxy hotline at (212) 855-5191.

10. Paying Agent may override DTC's determination of interest and principal payment dates, in accordance with the MMI Procedures.

11. Notice regarding the amount of variable interest and principal payments on the Securities shall be given to DTC by Paying Agent in accordance with the MMI Procedures.

12. Paying Agent shall confirm with DTC daily, by CUSIP number, the face value of the Securities outstanding, and Paying Agent's corresponding interest and principal payment obligation, in accordance with the MMI Procedures.

13. DTC may direct Issuer, Issuing Agent, or Paying Agent to use any other telephone number or address as the number or address to which notices may be sent.

14. Payments on the Securities, including payments in currencies other than the U.S. Dollar, shall be made by Paying Agent in accordance with the MMI Procedures.

15. In the event that Issuer determines that beneficial owners of Securities shall be able to obtain certificated Securities, Issuer or Paying Agent shall notify DTC of the availability of certificates. In such event, Issuer or Paying Agent shall issue, transfer, and exchange certificates in appropriate amounts, as required by DTC and others.

16. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer, Issuing Agent or Paying Agent (at which time DTC will confirm with Issuer or Paying Agent the aggregate amount of Securities outstanding by CUSIP number). Under such circumstances, at DTC's request Issuer, Issuing Agent and Paying Agent shall cooperate fully with DTC by taking appropriate action to make available one or more separate certificates evidencing Securities to any Participant having Securities credited to its DTC accounts.

17. Nothing herein shall be deemed to require Issuing Agent or Paying Agent to advance funds on behalf of Issuer.

18. This Letter of Representations may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but all such counterparts together shall constitute but one and the same instrument.

19 This Letter of Representations shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to principles of conflicts of law.

20. The sender of each notice delivered to DTC pursuant to this Letter of Representations is responsible for confirming that such notice was properly received by DTC.

21. Issuing and/or Paying Agent represent to DTC that the Issuing and/or Paying Agent screened the name of the party in whose name a deposited Security certificate is registered against the U.S. Department of the Treasury's Office of the Office of Foreign Asset Control's ("OFAC") Specially Designated Nationals Blocked Persons List ("SDN List") and against OFAC's regulations and that there were no matches identified by such comparison. Issuer is prohibited from submitting Securities for DTC eligibility if the issuer of the securities is listed on the OFAC's SDN List, or is incorporated or formed in a country that is subject to OFAC sanctions or embargoes, or otherwise subject to sanctions administered by OFAC.

22. Issuer hereby authorizes DTC to provide to Issuing Agent and/or Paying Agent listings of DTC Participants' holdings, known as Security Position Reports ("SPRs") with respect to the Assets from time to time at the request of Issuing Agent or Paying Agent. DTC charges a fee for such SPRs. This authorization, unless revoked by Issuer, shall continue with respect to the Assets while any Assets are on deposit at DTC, until and unless Issuing Agent and/or Paying Agent shall no longer be acting as Issuing and/or Paying Agent for Issuer. In such event, Issuer shall provide DTC with similar evidence, satisfactory to DTC, of the authorization of any successor thereto so to act. Proxy Web Services are available at www.dtcc.com. To register for or inquire about Proxy Web Services, telephone The Depository Trust and Clearing Corporation's Proxy Hotline at (212) 855-5191.

23. Issuer, Issuing Agent and Paying Agent shall comply with the applicable requirements stated in DTC's MMI Procedures, as they may be amended from time to time.

24. The following rider(s), attached hereto, are hereby incorporated into this Letter of Representations:

_____

_____

Note:

Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Very truly yours,

FORT BEND INDEPENDENT SCHOOL DISTRICT
[Issuer]

By: _____
[Authorized Officer's Signature]

_____
[Guarantor]

By: _____
[Authorized Officer's Signature]

ZB, NATIONAL ASSOCIATION
[Issuing Agent]

By: _____
[Authorized Officer's Signature]

ZB, NATIONAL ASSOCIATION
[Paying Agent]

By: _____

cc: Underwriter
Underwriter's Counsel

SCHEDULE A

SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

(Prepared by DTC--bracketed material may be applicable only to certain issues)

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]

[6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.]

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

[9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.]

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

EXHIBIT D

Form of Master Note

The Depository Trust Company
A subsidiary of The Depository Trust & Clearing Corporation

MUNICIPAL COMMERCIAL PAPER – TECP MASTER NOTE

February 20, 2019
(Date of Issuance)

Fort Bend Independent School District ("Issuer"), for value received, hereby promises to pay to Cede & Co., as nominee of the Depository Trust Company, or to registered assigns (i) the principal amount, together with unpaid accrued interest thereon, if any, on the maturity date of each obligation identified on the records of Issuer (the "Underlying Records") as being evidenced by this Master Note, which Underlying Records are maintained by Zions Bancorporation, National Association, Amegy Bank Division ("Paying Agent"); (ii) interest on the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records; and (iii) the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records. Interest shall be calculated at the rate and according to the calculation convention specified on the Underlying Records. Payments shall be made soley from the sources stated on the Underlying Records by wire transfer to the registered owner from Paying Agent without the necessity of presentation and surrender of this Master Note.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS MASTER NOTE SET FORTH ON THE REVERSE HEREOF.

This Master Note is a valid and binding obligation of Issuer.

Not Valid Unless Countersigned for Authentication by Paying Agent.

Zions Bancorporation, National Association,
Amegy Bank Division
(Paying Agent)

By: Arla K Scott
(Authorized Countersignature)

Fort Bend Independent School District
(Issuer)

By:
(Authorized Signature)

DTCC.
The Depository Trust & Clearing Corporation

(Reverse Side of Note)

At the request of the registered owner, Issuer shall promptly issue and deliver one or more separate note certificates evidencing each obligation evidenced by this Master Note. As of the date any such note certificate or certificates are issued, the obligations which are evidenced thereby shall no longer be evidenced by this Master Note.

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

_____

(Name, Address, and Taxpayer Identification Number of Assignee)

the Master Note and all rights thereunder, hereby irrevocably constituting and appointing _____ attorney to transfer said Master Note on the books of issuer with full power of substitution in the premises.

Dated:
Signature(s) Guaranteed

_____

(Signature)

Notice: The signature on this assignment must correspond with the name as written upon the face of this Master Note, in every particular, without alteration or enlargement or any change whatsoever.

Unless this certificate is presented by an authorized representative of the Depository Trust Company, a New York corporation ("DTC"), to issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

CERTIFICATE FOR ORDER

THE STATE OF TEXAS §
COUNTY OF FORT BEND §

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

1. The Board of Trustees of Fort Bend Independent School District convened in regular meeting on the 24th day of July, 2023, at the regular meeting place thereof, within said District, and the roll was called of the duly constituted officers and members of said Board, to wit:

Judy Dae	President, Trustee, Position 2
Dr. Shirley Rose-Gilliam	Vice President, Trustee, Position 4
David Hamilton	Secretary, Trustee, Position 7
Angie Hanan	Trustee, Position 1
Rick Garcia	Trustee, Position 3
Sonya Jones	Trustee, Position 5
Kristen Davison Malone	Trustee Position 6
David Hamilton	Trustee, Position 7

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

A SECOND AMENDED AND RESTATED ORDER AUTHORIZING, ESTABLISHING, APPROVING, CONFIRMING AND RATIFYING A COMMERCIAL PAPER PROGRAM UNDER WHICH WILL BE ISSUED FROM TIME TO TIME SHORT TERM OBLIGATIONS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $150,000,000 AT ANY ONE TIME OUTSTANDING TO PROVIDE INTERIM FINANCING TO PAY PROJECT COSTS FOR ELIGIBLE PROJECTS FOR THE DISTRICT; AUTHORIZING SUCH SHORT TERM OBLIGATIONS TO BE ISSUED, SOLD, AND DELIVERED AS COMMERCIAL PAPER NOTES IN ONE OR MORE SERIES AND ON A TAX-EXEMPT BASIS, AUTHORIZING THE EXECUTION OF LOAN NOTES, AND PRESCRIBING THE TERMS, FEATURES, AND CHARACTERISTICS OF SUCH INSTRUMENTS; APPROVING AND AUTHORIZING CERTAIN MEMBERS OF THE BOARD OF TRUSTEES AND DISTRICT STAFF TO ACT ON BEHALF OF THE DISTRICT IN THE SALE AND DELIVERY OF SUCH SHORT TERM OBLIGATIONS, WITHIN THE LIMITATIONS AND PROCEDURES SPECIFIED HEREIN AND IN ACCORDANCE WITH APPLICABLE LAW; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, SECURITY, AND DELIVERY OF SUCH SHORT TERM OBLIGATIONS, INCLUDING THE APPROVAL OF ONE OR MORE CREDIT

AGREEMENTS PROVIDING LIQUIDITY SUPPORT THEREFOR AND APPROVING AMENDED AND RESTATED CREDIT AGREEMENTS; APPROVING THE USE OF AN OFFERING MEMORANDUM IN CONNECTION WITH THIS MATTER; ENACTING OTHER PROVISIONS INCIDENT AND RELATED TO THE SUBJECT AND PURPOSE OF THIS ORDER; AND PROVIDING FOR AN EFFECTIVE DATE

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

_____ Member(s) shown present above voted "Aye".

_____ Member(s) shown present above voted "No".

_____ Member(s) shown present abstained from voting.

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

SIGNED AND SEALED this 24th day of July, 2023.

[SEAL]

Secretary, Board of Trustees
Fort Bend Independent School District

For:	**Fort Bend ISD Board of Trustees**
Date:	**July 24, 2023**
Action:	**Consideration and Approval: Interlocal Agreement Expose Excellence**
References:	**Board Policies FED (Legal) and FEA (Local) District Goals 2 & 4**
Department:	**Department of Student Affairs**

Recommendation

Consideration and approval of a revised Interlocal Agreement between Fort Bend ISD, Fort Bend County and Fort Bend County Juvenile Board for the 2023-24 school year regarding the Expose Excellence Youth Program.

Summary

FBISD has collaborated with Fort Bend County ("County") and the Fort Bend County Juvenile Board ("Juvenile Board") in an effort to address prevention and intervention youth services through the Expose Excellence Youth Program ("Program"). The goal of the County program is to apply pro-active services, strategies, and meaningful interventions in order to assist at-risk students with skills to thrive in FBISD. Program services will be primarily provided at the Fort Bend County Juvenile Justice Alternative Education Program (JJAEP) or any County owned or leased location.

As provided in the agreement, the County shall assign case worker to students that are referred to the Program. These caseworkers will work as liaisons to coordinate and provide follow up with students to provide wrap around services, and will work with the student attendance specialists, school administrators, counselors, social workers, and community resources to address the social factors behind youth determinants of academic and behavioral success. Additionally, the caseworkers will provide quarterly reports to apprise FBISD of program impact on students serviced and supports needed. In return, The County agrees to provide the Expose Excellence Youth Program to FBISD youth at no cost. Our goal is to continue to deter misconduct and improve the overall academic, physical, and social emotional health of students in our community while fostering student ownership of learning and behavior.

This agreement would begin the date of execution by the last party and end July 31, 2024, unless terminated earlier by the parties.

Recommended by:

Christie Whitbeck
Superintendent

Submitted by:

Kwabena Mensah
Chief of Schools

STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF FORT BEND §

INTERLOCAL AGREEMENT FOR PREVENTION AND INTERVENTION YOUTH SERVICES BETWEEN FORT BEND COUNTY JUVENILE BOARD AND FORT BEND INDEPENDENT SCHOOL DISTRICT

This Agreement for Prevention and Intervention Services is made by and between the **Fort Bend County Juvenile Board** ("County") and **Fort Bend Independent School District**, ("FBISD") all governmental entities under the Interlocal Cooperation Act.

WHEREAS, the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code authorizes governmental entities to contract with each other to perform government functions and services which may include governmental functions in which the contracting parties are mutually interested;

WHEREAS, the County and FBISD are mutually interested in the public goals of prevention and intervention services for students considered at risk of entering the juvenile justice system; and intervention services for juveniles engaged in misconduct before cases are filed, excluding traffic offenses; and

WHEREAS, the County finds that the Services covered by this Interlocal Agreement qualify for funding through County, State, and Special Project funds.

In consideration of the foregoing and further consideration of the mutual promises, covenants and conditions herein, the parties hereby agree as follows:

I. Scope of Services:

The County will supply community activity officers to provide the Expose Excellence Youth Program ("Program") to FBISD youth at no cost.

Program Background:

Subject to County's discretion as to capacity, the Program will serve approximately 75-100 at-risk students ages 10-17 who are enrolled in a FBISD campus. The Program will include the following services:

A. Job Skills and Career Training;
B. Business and Entrepreneur Workshops;
C. Recreational Activities;
D. Life Skills Training;
E. Field Trips;
F. Self-Expression Activities (Spoken Word, Poetry, and Visual Arts);
G. Tutoring Services;

H. Driver's Education;
I. Financial Aid Advocacy and Support;
J. Academic Support and Advocacy;
K. Transportation;
L. Exposure to Fine Arts;
M. Case Management;
N. Campus Visits;
O. Attendance Interventions;
P. Dropout Prevention Coaching and Mentoring;
Q. Strategies to Develop Independent Study Skills;
R. Mental Health and Substance Abuse Services;
S. Mentoring and Wrap Around Services for Parents; and
T. Other mutually agreed upon activities consistent with this Agreement.

County agrees to provide copies to FBISD of any student evaluation data that documents student goals to ensure appropriate support, alignment with the Program mission and vision. Both Parties agree to keep communication open and ongoing to review strategies for improvement and ensure program objectives are met.

Program Recruitment:

The County will collaborate with FBISD to recruit students into the Program utilizing a referral process, with an emphasis on referrals from home campuses to the County, by and through the Juvenile Probation Chief. The decision to refer a student to the Program rests solely in the professional discretion of FBISD, and FBISD is under no obligation to refer any student or a minimum number of students.

County will create a consent form to be executed by a parent/guardian prior to student participation in the program. The Parties may, but are not required to, collaborate on this feature of the program.

Program services will be primarily implemented at the Fort Bend County Juvenile Justice Alternative Education Program (Address: 400 Coen Rd., Arcola, Texas 77583) or at any County owned or leased locations as determined by the Juvenile Probation Chief. In the event a Program activity will occur on a FBISD campus, the County agrees to comply with all campus visitor protocols, FBISD Criminal Background History check procedures, and receive advanced written confirmation from the campus Principal or designee (email notification is acceptable) confirming approval of the activity and availability of the facility and campus personnel .

FBISD will not provide student transportation related to this program. Any such student transportation shall be provided or arranged by the County.

Program Data and Evaluation:

The County shall track and monitor Program participation and outcomes using the County's own criteria. The County agrees to provide monthly student participation, student goals and progress, program outcomes, and program evaluation data to FBISD.

II. Scheduling and the manner in which services are provided shall be determined by the Juvenile Probation Department, with reasonable consideration given to programing requests from FBISD.

III. It is expressly understood and agreed to by the Parties that:

A. The community activity officers shall be subject to the management and supervision of the Juvenile Probation Chief in the same manner as all other juvenile probation department employees, even though they may perform activities on a FBISD property. Such control and supervision includes, but is not limited to: hiring, supervision, discipline, and termination of the community activity officers; and

B. The community activity officers will not be required to perform any FBISD administrative duties; and

C. The provision of any required educational services remains the sole responsibility of FBISD personnel.

V. Duration of Agreement

Unless mutually initiated, cancelled, or terminated earlier with thirty (30) days written notice, the term of this Interlocal Agreement will be from August 1, 2023 through July 31, 2024.

VI. Compensation

The Parties agree that the benefit to their mutual constituents and surrounding areas is fair compensation for Services performed under the contract and that any funds required of a party for their own performance will be from current revenues available to the Party. The services provided by the County are at no cost to FBISD.

VII. Confidentiality

FBISD and the County agree to secure the confidentiality of all information and records in accordance with applicable federal and state laws, rules, and regulations. The County understands that the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. § 1232g, governs the privacy and security of educational records and personally identifiable information of Students and agrees to abide by FERPA rules and regulations, as applicable.

Specifically, any document provided by FBISD to the County is considered subject to FERPA, and the County should consider any such document confidential.

VIII. Relationship of Parties

The Parties agree that in performing services specified in this agreement, that each is an independent contractor and shall have control of its work and the manner in which it is performed. Neither Party, its agents, employees, volunteer help or any other person operating under this Agreement, shall be considered an agent or employee of the other and neither shall be entitled to participate in any pension or other benefits that the other provides its employees.

IX. Notice to Parties

A. Any notice given hereunder by either party to the other shall be in writing and sent by certified mail, return receipt requested.

B. Notice to County shall be sent to:

Fort Bend County Juvenile Board
ATTN: Chief Juvenile Probation Officer
122 Golfview Drive
Richmond, Texas 77469

C. Notice to FBISD:

Fort Bend Independent School District
Attn: Superintendent
16431 Lexington Blvd.
Sugar Land, Texas 77479

D. Each party may change the address for notice to it by giving notice of such change in accordance with the provisions of this paragraph.

X. Insurance

A. FBISD shall furnish certificates of insurance to County evidencing compliance with the insurance requirements hereof. Certificates shall indicate name of FBISD, name of insurance company, policy number, term of coverage, and limits of coverage. FBISD shall obtain such insurance written on an Occurrence form from such licensed or approved to transact business in the State of Texas, and shall obtain such insurance of the following types and minimum limits:

1. Workers' Compensation insurance. The Parties acknowledge FBISD is self-funded in accordance with the laws of the State of Texas.
2. FBISD agrees to maintain General Liability Coverage with limits of not less than $1,000,000 per occurrence, $2,000,000 in aggregate.
3. Business Automobile Liability coverage applying to the negligent operation of owned, non-owned and hired automobiles by FBISD drivers with limits not less than $100,000 each occurrence combined single limit for Bodily Injury and Property Damage combined.

B. All Liability policies written on behalf of FBISD shall contain a waiver of subrogation in favor of County and members of the County Juvenile Board. For Commercial General Liability, the County shall be named as an Additional Insured on a Primary & Non-Contributory basis.

C. If required coverage is written on a claims-made basis, FBISD warrants that any retroactive date applicable to coverage under the policy precedes the effective date of the Agreement; and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of 2 years beginning from the time that work under the Agreement is completed.

D. FBISD shall not commence any portion of the work under this Contract until it has obtained the insurance required herein and certificates of such insurance have been filed with and approved by Fort Bend County.

E. No cancellation of or changes to the certificates, or the policies, may be made without thirty (30) days prior, written notification to Fort Bend County.

F. Approval of the insurance by Fort Bend County shall not relieve or decrease the liability of the FBISD.

XI. Indemnification

To the extent allowed by law, FBISD agrees to promptly defend, indemnify and hold the County harmless from and against any and all claims, demands, suits, causes of action, and judgments for (a) damages to the loss of property of any person; and/or (b) death, bodily injury, illness, disease, loss of services, or loss of income or wages to any person, arising out of or incident to, concerning or resulting from the negligent or willful act or omissions of the FBISD, its agents, officers, and or employees in the performance of this Agreement.

To the extent allowed by law, the County agrees to promptly defend, indemnify and hold FBISD harmless from and against any and all claims, demands, suits, causes of action, and judgments for (a) damages to the loss of property of any person; and/or (b) death, bodily injury, illness, disease, loss of services, or loss of income or wages to any person, arising out of or incident to, concerning or resulting from the negligent or willful act or omissions of the County, its agents, officers, and or employees in the performance of this Agreement.

XII. Governmental Immunity

It is expressly understood and agreed that in the execution of this Agreement, the Parties do not intend to waive, nor shall be deemed to waive, any immunity or defense at law or in equity, that would otherwise be available to each against claims arising in the exercise of governmental powers and functions, including the defense of governmental immunity.

XIII. Miscellaneous Provisions

A. This Agreement contains the entire Agreement between the parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this instrument shall be of no force or effect except in a subsequent modification in writing signed by all parties.

B. This Agreement shall be governed by and constructed in accordance with the laws of the State of Texas.

C. No assignment of this Agreement or of any right accrued hereunder shall be made, in whole or in part, by either party without the prior written consent of the other party. Venue shall be in Fort Bend County, Texas.

D. The undersigned officer and/or agents of the parties hereto are the properly authorized officials of the party presented and have the necessary authority to execute this Agreement on behalf of the parties hereto and each party hereby certifies to the other that any necessary approvals have been duly passed and approved and are now in full force and effect.

E. The parties to this Agreement do not intend by this Agreement that any specific third party may obtain a right by virtue of the execution of performance of this Agreement.

F. In the event that any one or more of the terms, provisions or conditions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the other terms, provisions or conditions; and the Agreement shall be construed as if such invalid, illegal, or unenforceable term, provision or condition had never been contained in it.

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{Execution page to follow}

IN WITNESS WHEREOF, the parties hereto have signed or have caused their respective names to be signed to multiple counterparts to be effective on the ____ day of _____, _____.

FORT BEND COUNTY JUVENILE BOARD:

_____
Matthew "Kyle" Dobbs
Chief Juvenile Probation Officer

Date: _____

FORT BEND INDEPENDENT SCHOOL DISTRICT:

_____
Dr. Christie Whitbeck, Superintendent

Date: _____

i:\agreements\2023 agreements\juvenile\ila fbc and fort bend isd 22-juv-100772-a1 (kcj - 12.28.2022)

For:	**Fort Bend ISD Board of Trustees**
Date:	**July 24, 2023**
Action:	**Consideration and Approval: Interlocal Agreement Regarding Saved by the Bell**
References:	**Board Policies FED (Legal) and FEA (Local) District Goals 2 & 4**
Department:	**Department of Student Affairs**

Recommendation

Consideration and approval of a revised Interlocal Agreement between Fort Bend ISD, Fort Bend County and Fort Bend County Juvenile Board for the 2023-24 school year regarding the Saved by the Bell truancy program.

Summary

FBISD has collaborated with Fort Bend County ("County") and the Fort Bend County Juvenile Board ("Juvenile Board") in an effort to address truancy through the Saved by the Bell program. The goal of the Saved by the Bell program is to apply pro-active casework management strategies together with meaningful interventions in order to address truancy issues and increase attendance. The Fort Bend County Civil Court will act as the central filing location for truancy citations specific to FBISD.

As provided in the agreement, the County shall assign 6 juvenile caseworkers to Fort Bend ISD to address relevant truancy issues. These caseworkers will work as liaisons to coordinate and provide follow up with the judicial system, and will work with the Student Attendance Specialists, school administrators, counselors, social workers, and community resources to address the social factors to deter truancy. Intervention services are provided to FBISD students considered at risk of dropping out of school. Additionally, the caseworkers will perform home visits to support students with low engagement or truancy related attendance patterns. In return, FBISD agrees to fund the caseworkers for the court in the amount not to exceed $299,902.00. Our goal is to continue to reduce truancy in our community by increasing our preventative efforts and assist with promoting student ownership of learning.

This agreement would begin the date of execution by the last party and end September 30, 2024 unless terminated earlier by the parties.

Recommended by:

Christie Whitbeck
Superintendent of Schools

Submitted by:

Kwabena Mensah
Chief of Schools

STATE OF TEXAS §

§ KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF FORT BEND §

INTERLOCAL AGREEMENT FOR TRUANCY PREVENTION AND INTERVENTION SERVICES BETWEEN FORT BEND COUNTY, FORT BEND COUNTY JUVENILE BOARD AND FORT BEND INDEPENDENT SCHOOL DISTRICT 2024-2024

This Agreement for Truancy Prevention and Intervention Services is made by and between the **Fort Bend County** ("County"), **Fort Bend County Juvenile Board** ("BOARD"), and **Fort Bend Independent School District**, ("FBISD") all governmental entities under the Interlocal Cooperation Act.

WHEREAS, the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code authorizes governmental entities to contract with each other to perform government functions and services which may include governmental functions in which the contracting parties are mutually interested;

WHEREAS, County, the Board and FBISD are mutually interested in the public goals of educational intervention, and truancy and dropout prevention;

WHEREAS, schools such as FBISD may enforce compulsory school attendance requirements by applying truancy prevention measures and if the truancy prevention measures fail to meaningfully address a student's conduct, may refer a student to an appropriate court;

WHEREAS, the County provides partial funding for, and the Board approves the budget of, the "Saved by the Bell" program which is a pro-active truancy abatement program in the Fort Bend County area administered by and through the Juvenile Probation Department; and

WHEREAS, the Texas Code of Criminal Procedure Article 45.056 authorizes a commissioners court, city council, school district board of trustees, juvenile board, or other appropriate authority to permit a county court, justice court, municipal court, school district, juvenile probation department or other appropriate governmental entity to jointly employ or contribute to the costs of a case manager employed by one governmental entity to provide services to prevent and deter truancy conduct.

In consideration of the foregoing and further consideration of the mutual promises, covenants and conditions herein, the parties hereby agree as follows:

I. Scope of Service

A. As allowed by Texas CCP Article 45.056, the Board, agrees to allow Juvenile Probation Department personnel to be assigned to FBISD students when a judge has

referred the student to the Saved by the Bell program. The specific personnel shall be six (6) case managers whose duties shall be:

1. Assisting the Fort Bend County Justice Courts in administering the court's juvenile docket and in supervising the court's orders in juvenile cases for FBISD students;
2. Prevention services for FBISD students considered at risk of entering the juvenile justice system; and
3. Intervention services to FBISD juveniles engaged in misconduct before cases are filed, excluding traffic offenses.

B. County shall allocate funding for the assigned case managers from the general fund to the Juvenile Probation Department Budget, using the County's regular budget process.

C. Scheduling and the manner in which services are provided by the case managers shall be determined by the Juvenile Probation Department, with reasonable consideration given to programing requests from FBISD.

D. It is expressly understood and agreed to by the Parties that:

1. The case managers shall be subject to the management and supervision of the Chief Probation Officer in the same manner as all other juvenile probation department employees, even though they may perform their duties on FBISD property. Such control and supervision includes, but is not limited to: hiring, supervision, discipline, and termination of the case managers; and
2. The case managers will not be required to perform any FBISD administrative duties; and
3. The execution of any truancy prevention measures legally required of FBISD is the sole responsibility of FBISD personnel.
4. Interpretation, application and enforcement of law remains with the Justice Court or the Court entering the Order and is in no way delegated to any other Party as a result of this Agreement.

II. Duration of Agreement

Unless mutually initiated, cancelled, or terminated earlier with thirty (30) days written notice, the term of this Interlocal Agreement will be from October 1, 2023 through September 30, 2024.

III. Compensation

A. FBISD shall be obligated to provide funding in the amount of two hundred ninety-nine thousand nine hundred two dollars **($299,902.00)**. Funding from FBISD shall be provided to the Fort Bend County Treasurer on or before December 31 of each year during the

term of this Agreement and will be deposited in the Fort Bend County General Fund. Failure of FBISD to provide funding to Board as provided herein may result in the rejection of FBISD students from the Saved by the Bell Program.

B. The Parties agree that two hundred ninety-nine thousand nine hundred two dollars **($299,902.00)** is fair compensation for the services or functions performed under the Agreement for the services to be provided and must be from current revenues available to FBISD.

IV. Relationship of Parties

The Parties agree that in performing services specified in this agreement, that each is an independent contractor and shall have control of its work and the manner in which it is performed. Neither Party, its agents, employees, volunteer help or any other person operating under this Agreement, shall be considered an agent or employee of the other and neither shall be entitled to participate in any pension or other benefits that the other provides its employees.

V. Notice to Parties

A. Any notice given hereunder by either party to the other shall be in writing and sent by certified mail, return receipt requested.

B. Notice to Board shall be sent to:

Fort Bend County Juvenile Board
ATTN: Chair
301 Jackson Street
Richmond, Texas 77469

C. Notice to County shall be sent to:

Fort Bend County
Attn: County Judge
401 Jackson
Richmond, Texas 77469

D. Notice to FBISD:

Fort Bend ISD
Attn: Executive Director of Student Affairs
16431 Lexington Boulevard
Sugar Land, Texas 77479

E. Each party may change the address for notice to it by giving notice of such change in accordance with the provisions of this paragraph.

VI. Insurance

A. FBISD shall furnish certificates of insurance to Board evidencing compliance with the insurance requirements hereof. Certificates shall indicate name of FBISD, name of insurance company, policy number, term of coverage and limits of coverage. FBISD shall cause its insurance companies to provide Board with at least 30 days prior written notice of any reduction in the limit of liability by endorsement of the policy, cancellation or non-renewal of the insurance coverage required under this Agreement. FBISD shall obtain such insurance written on an Occurrence form from such companies having Bests rating of A/VII or better, licensed or approved to transact business in the State of Texas, and shall obtain such insurance of the following types and minimum limits:

B. Workers' Compensation insurance in accordance with the laws of the State of Texas, or state of hire/location of Services, and Employers' Liability coverage with a limit of not less than $1,000,000 each employee for Occupational Disease, $1,000,000 policy limit for Occupational Disease; and Employer's Liability of $1,000,000 each accident.

C. FBISD agrees to maintain General Liability Coverage with limits of not less than $1,000,000 per occurrence, $2,000,000 in aggregate and Policy shall include contractual liability coverage.

D. Business Automobile Liability coverage applying to owned, non-owned and hired automobiles with limits not less than $1,000,000 each occurrence combined single limit for Bodily Injury and Property Damage combined.

E. Board and the members of the Board shall be named as additional insured to all required coverage except for Workers' Compensation and Professional Liability (if required). All Liability policies written on behalf of FBISD shall contain a waiver of subrogation in favor of Board and members of the Board. For Commercial General Liability, the County shall be named as an Additional Insured on a Primary & Non-Contributory basis.

F. If required coverage is written on a claims-made basis, FBISD warrants that any retroactive date applicable to coverage under the policy precedes the effective date of the Agreement; and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of 2 years beginning from the time that work under the Agreement is completed.

VII. Indemnification

To the extent allowed by law, FBISD agrees to promptly defend, indemnify and hold County and the Board harmless from and against any and all claims, demands, suits, causes of action, and judgments for (a) damages to the loss of property of any person; and/or (b) death, bodily injury, illness, disease, loss of services, or loss of income or wages to any person, arising out of or incident to, concerning or resulting from the negligent or willful act or omissions of the FBISD, its agents, officers, and or employees in the performance of this Agreement.

VIII. Governmental Immunity

It is expressly understood and agreed that in the execution of this Agreement, the Parties hereto do not intend to waive, nor shall be deemed to waive, any immunity or defense at law

or in equity, that would otherwise be available to each against claims arising in the exercise of governmental powers and functions, including the defense of governmental immunity.

IX. Miscellaneous Provisions

A. This Agreement contains the entire Agreement between the parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this instrument shall be of no force or effect except in a subsequent modification in writing signed by all parties.

B. This Agreement shall be governed by and constructed in accordance with the laws of the State of Texas.

C. No assignment of this Agreement or of any right accrued hereunder shall be made, in whole or in part, by either party without the prior written consent of the other party. Venue shall be in Fort Bend County, Texas.

D. The undersigned officer and/or agents of the parties hereto are the properly authorized officials of the party presented and have the necessary authority to execute this Agreement on behalf of the parties hereto and each party hereby certifies to the other that any necessary approvals have been duly passed and approved and are now in full force and effect.

E. The parties to this Agreement do not intend by this Agreement that any specific third party may obtain a right by virtue of the execution of performance of this Agreement.

F. In the event that any one or more of the terms, provisions or conditions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the other terms, provisions or conditions; and the Agreement shall be construed as if such invalid, illegal, or unenforceable term, provision or condition had never been contained in it.

{Remainder left blank}

{Execution page follows}

IN WITNESS WHEREOF, the parties hereto have signed or have caused their respective names to be signed to multiple counterparts to be effective on the _____ day of _____, **2023**.

FORT BEND COUNTY:

Attest:

_____
KP George
County Judge

_____
Laura Richard, County Clerk

Date: _____

FORT BEND COUNTY JUVENILE BOARD:

_____
Chair
FBC Juvenile Board

Date: _____

FORT BEND INDEPENDENT SCHOOL DISTRICT:

Attest:

_____

_____

Date: _____

AUDITOR'S CERTIFICATE

I hereby certify that funds are available from current revenues legally available in the amount of **$**_____ to accomplish and pay the obligation of Fort Bend County under this Interlocal Agreement.

_____
Ed Sturdivant, Fort Bend County Auditor

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For: Fort Bend ISD Board of Trustees
Date: July 24, 2023
Action: Consideration and Approval:
Memorandum of Understanding for JJAEP
References: Board Policy GRAC (LEGAL)
District Goal 1
Department: Department of School Leadership

Recommendation

Consideration and approval of the Memorandum of Understanding (MOU) for the Juvenile Justice Alternative Education Program (JJAEP) services among Fort Bend County Juvenile Probation Board, Fort Bend ISD (FBISD), Stafford MSD (SMSD), and Alief ISD (AISD).

Summary

Chapter 37 of the Texas Education Code requires that a Juvenile Justice Alternative Education Program be in operation in Fort Bend County. Students are assigned to a JJAEP program as a result of violating Texas Education Code Chapter 37 listed offenses which include: 1) mandatory expulsion from their home school campus for serious infractions of the Student Code of Conduct, 2) discretionary expulsions for serious infractions that occur off-campus as well as other infractions of the Student Code of Conduct, or 3) are court ordered for criminal offenses or probation conditions. Students enrolled in the JJAEP are assigned through court order or District expulsion to the program.

FBISD is the largest District within Fort Bend County and is therefore the designated educational services provider. FBISD delivers all educational services in JJAEP as outlined in policy FODA (LEGAL). The Fort Bend County Juvenile Justice Department originally financed the building located at 400 Coen Rd. Rosharon, Texas, and oversees all maintenance and operations. The JJAEP provides program personnel, which consists of a Director, Supervisor, Assistant Supervisor, and 10 staff members.

FBISD is responsible for providing appropriate educational staff to provide instructional services to the students enrolled in the program. During the 2022-23 school year, FBISD provided five teachers, two aides, and shared a principal and counselor with the Ferndell Henry Center for Learning. The total budgeted cost to the District for 2022-23 was $441,721, which included the FBISD staff members, supplies and other operating expenditures. Projected budget for 2023-24, which includes salaries, benefits, supplies and other operating expenditures, is $449,834. The slight monetary escalation will cover

the increase in compensation and benefits of the FBISD staff assigned to the JJAEP.

All Fort Bend County school districts may utilize the JJAEP under Chapter 37. Subsequently, Stafford Municipal School District and Alief ISD are participating school districts and may reserve up to two seats at the JJAEP at a cost of $25,000. These spaces are paid for in advance by the participating Districts. Additional seats may be made available to the participating districts on a space-available basis, upon their request to FBISD and the Juvenile Probation Department. In the event that the districts do not utilize the facility during the school year, FBISD is required to refund 80 percent of the district's deposit.

During the 2022-23 school year, a total of 73 students were enrolled at the JJAEP. Of those 73 students, none were assigned from Alief and 3 were assigned from Stafford. 70 students enrolled in the JJAEP were from Fort Bend ISD.

Recommended by:

Christie Whitbeck
Superintendent of Schools

Submitted by:

Kwabena Mensah
Chief of Schools

THE STATE OF TEXAS §
§
COUNTY OF FORT BEND §

MEMORANDUM OF UNDERSTANDING
FOR JUVENILE JUSTICE ALTERNATIVE EDUCATION PROGRAM

THIS MOU is made and entered into by and between the FORT BEND COUNTY JUVENILE PROBATION BOARD, hereinafter referred to as "BOARD," FORT BEND INDEPENDENT SCHOOL DISTRICT, hereinafter referred to as "FBISD," STAFFORD MUNICIPAL SCHOOL DISTRICT, hereinafter referred to as "SMSD", and ALIEF INDEPENDENT SCHOOL DISTRICT, hereinafter referred to as "AISD".

WHEREAS, Chapter 37 of the Texas Education Code requires that a Juvenile Justice Alternative Program ("JJAEP") be in operation in Fort Bend County, and such a JJAEP has been established; and WHEREAS, the parties hereto desire to continue the JJAEP currently in existence.

NOW THEREFORE, in consideration of the mutual covenants set forth herein the parties hereto agree as follows:

SECTION I
DEFINITIONS

For the purpose of this MOU, the following terms shall mean:

1.01 *BOARD Personnel* - Probation Officers, Youth Specialists, Site Supervisors, Campus Supervisors, Director, Chief Juvenile Probation Officer.

1.02 *Classroom* -A designated room at the JJAEP.

1.03 *Court-ordered students* – students who have not been expelled from school but reside within Fort Bend County and have been ordered to attend the JJAEP.

1.04 *Eligible Students* – Students who have been expelled from school by FBISD or a Member School District pursuant to the terms of Chapter 37 of the Texas Education Code.

1.05 *FBISD Personnel* - Teachers, Teacher's Aides, and a Counselor.

1.06 *Home School* -The school district and campus where students would ordinarily attend school if not placed in the JJAEP.

1.07 *JJAEP* – The Fort Bend County Juvenile Justice Alternative Education Program.

1.08 *Member School District(s)* – SMSD and AISD.

1.09 *Parent/Guardian Consent* - Any consent required by federal or state law, or an administrative agency to facilitate the purposes of this MOU.

1.10 *Educational Services* - instruction and/or assistance at the JJAEP in curriculum that includes, at a minimum, reading, language arts, mathematics, living skills, science, and counseling.

1.11 *Teacher* - A FBISD classroom teacher who is certified by the State of Texas and assigned to provide Educational Services at the JJAEP.

1.12 *Teacher's Aide* - A FBISD classroom teacher's aide who is assigned to assist teachers at the JJAEP.

SECTION II

PURPOSE

2.01 The purpose of this MOU is to make educational services available to Eligible Students and Court-ordered students who reside in Fort Bend County.

SECTION III

TERM

3.01 The term of this MOU shall commence on August 1, 2023, and terminate on July 31, 2024, unless sooner terminated as provided in this MOU.

3.02 This MOU may be terminated at any time during its term, for any reason, by either the BOARD or FBISD, upon thirty (30) days written notice. A Member School District may withdraw from the MOU by giving fifteen (15) days written notice to the BOARD and FBISD.

3.03 If the BOARD wishes to renew this MOU, notice must be provided to FBISD no later than May 15, 2024.

SECTION IV

RIGHTS AND DUTIES OF FBISD

4.01 FBISD shall be responsible for providing educational services to students placed at the JJAEP.

4.02 FBISD will provide five (5) Teachers and two (2) Teacher's Aides. Professional counseling services will be provided as the need arises.

4.03 FBISD personnel will coordinate with students' Home Schools to provide for the administration of state-mandated standardized assessments to students assigned to the JJAEP.

4.04 FBISD personnel will cooperate with BOARD personnel to address behavior and discipline matters and reduce interruptions to the student's education, removing students from educational services only when they are ill or are a serious behavior disruption to the learning of others.

4.05 FBISD personnel will communicate with the student's Home School to clarify any questions that arise with regard to the provision of educational services, particularly to facilitate re-entry.

4.06 FBISD personnel will review available student education records and any available assessment records so that appropriate educational services may be provided while the student is enrolled at the JJAEP.

4.07 It is understood and agreed by all parties that FBISD will provide special education and related services to students who are eligible for services under the Individuals with Disabilities Education Act and/or Section 504 of the Rehabilitation Act. However, this MOU in no way places on FBISD the entire duty to provide special education students who do not reside in FBISD with a comprehensive free appropriate public education. The student's district of residence remains responsible for the provision of a free appropriate public education to any of its students who are placed at the JJAEP.

4.08 FBISD will provide transportation from a location in FBISD to the JJAEP. Students shall be responsible for transportation to and from the FBISD location or may arrange for private transportation.

4.09 Prior to providing educational services to a student who is eligible for services under the Individuals with Disabilities Education Act (IDEA), Section 504 of the Rehabilitation

Act of 1973 (Section 504) or limited English proficient (LEP) classifications FBISD personnel must receive from the Home School District proof of compliance with any requirements under state or federal laws or regulations concerning notice, due process and parent consent.

4.10 It is understood and agreed by all parties that FBISD will provide to all eligible JJAEP students "The Free or Reduced Breakfast & Lunch Program."

SECTION V

RIGHTS AND DUTIES OF MEMBER SCHOOL DISTRICT(S)

5.01 A Member School District may reserve up to two seats at the JJAEP for the 2023-2024 school year upon payment of up to $25,000.00 to FBISD ($12,500.00 per seat). Such payments shall be made no later than October 1, 2023 to reserve a seat for the 2023-2024 school year. Additional seats may be made available to a Member School District, on a space-available basis, upon request to FBISD and the Chief Juvenile Probation Officer. Except for Court-ordered students, cost to the Member School District for such additional placements shall be pro-rated for the amount of time the student spends in the JJAEP. A refund of 80% for any unused seats will be provided by June 30, 2024. It is expressly understood that a Member School District is not required to provide funding for a Court-ordered student, as defined above in Section 1.03, pursuant to Texas Education Code Section 37.012.

5.02 A Member School District shall, upon placement of a student in the JJAEP, provide JJAEP staff with student academic records and any available assessment records so that the appropriate educational services may be provided while the student is enrolled at the JJAEP.

5.03 Member School District staff will communicate with the student's Home School and JJAEP staff to clarify any questions that arise with regard to the provision of educational services and administration of state-mandated standardized assessments.

5.04 A Member School District shall be responsible for arranging transportation services for students it expels to the JJAEP.

SECTION VI

RIGHTS AND DUTIES OF THE BOARD

6.01 The BOARD, acting by and through its Chief Juvenile Probation Officer, will secure the necessary parent/guardian consent to carry out the purpose of the educational services of this MOU, in a timely fashion.

6.02 The BOARD will ensure that the JJAEP will operate in conjunction with the FBISD academic calendar.

6.03 The BOARD will provide responsible personnel in the following order:

A. Chief Juvenile Probation Officer;

B. Probation Officers;

C. Youth Specialists.

6.04 The Chief Juvenile Probation Officer will secure necessary parent/guardian consent, provide proof of compliance with any requirements under state and federal laws and regulations concerning notice and due process requirements with regard to children who are limited English proficient (LEP) or special education students, and assist FBISD to obtain student education records and assessment data that is pertinent to the appropriate educational placement of the student in accordance with state time lines.

6.05 No later than December 1, 2023, the BOARD will provide FBISD and the Member School District(s) a copy of its student code of conduct for the school districts' review and approval.

6.06 The Chief Juvenile Probation Officer will provide and maintain appropriate instructional space for students and FBISD personnel and will ensure that, at a minimum, one (1) Youth Specialist is present at all times in each classroom.

6.07 The Chief Juvenile Probation Officer will designate staff members to provide support to FBISD personnel should crisis intervention be required at the JJAEP.

6.08 To the extent possible, the Chief Juvenile Probation Officer will develop daily schedules/activities so that interruptions to students' education are kept at a minimum.

6.09 Academics and classroom discipline will be the responsibility of the teacher in accordance with FBISD classroom rules and regulations. The BOARD staff, at the request of the teacher, will remove those students not complying with classroom rules.

6.10 The BOARD shall require students who are age 17 at the time of expulsion to agree to the terms of placement in a contractual agreement prepared by the JJAEP.

6.11 The County will obtain all required criminal history record information regarding any County employees providing services under this agreement and remain subscribed to the DPS criminal history clearinghouse for such employees for the duration of this agreement. If County receives information that a County employee providing services under this agreement subsequently has a disqualifying criminal history, County will immediately remove the employee from contract duties and notify the District by email to Servicers@FortBendISD.com.

SECTION VII
DATA PRIVACY

7.01 The use or disclosure by any party of information concerning a student in violation of state or federal law is prohibited except on written consent of such eligible child and/or his or her parents or guardian, or his or her attorney.

7.02 FBISD, the Member School District(s), and the BOARD, in providing all services hereunder, agree to abide by the provisions of any applicable federal or state data privacy laws, rules, or regulations.

SECTION VIII
ASSIGNMENTS

8.01 This MOU is not assignable by any party.

SECTION IX
INDEPENDENT CONTRACTOR

9.01 It is agreed by the parties that at all times and for all purposes hereunder that FBISD and FBISD employees are independent contractors and not employees of the BOARD. No statement contained in this MOU shall be construed so as to find FBISD or any member of its staff to be an employee of the BOARD, and FBISD shall be entitled to none of the

rights, privileges or benefits of a BOARD employee, except as otherwise may be stated herein.

9.02 It is agreed by the parties that at all times and for all purposes hereunder the BOARD and BOARD employees are not employees of FBISD. No statement contained in this MOU shall be construed so as to find the BOARD to be employees of FBISD, and the BOARD shall be entitled to none of the rights, privileges or benefits of FBISD employees except as otherwise may be stated herein.

9.03 It is agreed that nothing herein contained is intended or should be construed as in any manner creating or establishing a relationship of co-partners between the parties, or as constituting FBISD (including its officers, employees, and agent) as the agent, representative or employee of the BOARD for any purpose, or in any manner, whatsoever. FBISD is to be and shall remain an independent contractor with respect to all services performed under this MOU.

SECTION X

SEVERABILITY

10.01 The provisions of this MOU are severable. If any paragraph, section, subdivision, sentence, clause or phrase of this MOU is for any reason held to be contrary to law, or contrary to any rule or regulation having the force and effect of law, such occurrence of such event, either party may terminate this MOU forthwith upon the delivery of written notice of termination to the other party.

SECTION XI

ENTIRE MOU: REQUIREMENT OF A WRITING

11.01 It is understood and agreed that the entire MOU of the parties is contained herein and that this MOU supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof as well as any previous MOUS presently in effect between the parties relating to the subject matter hereof. Any alterations, amendments, deletions, or waivers of the provisions of this MOU shall be valid only when expressed in writing and duly signed by the parties.

SECTION XII

SERVICES NOT PROVIDED FOR

12.01 Only services specifically provided for by this MOU will be allowed by Board. Any change to the work or materials to be provided by FBISD will be considered a modification of this MOU and must be approved in writing by the Board.

SECTION XIII

SHARING OF INFORMATION

13.01 As authorized by Texas Family Code Chapter 58, the BOARD shall share juvenile criminal history record information about students to FBISD and the Member School District(s) upon written request of the appropriate Superintendent or Principal. Similarly, the school districts shall provide the BOARD with educational information necessary to provide services to students at the JJAEP.

13.02 FBISD and the Member School District(s) shall, upon a student's enrollment at the JJAEP, provide the JJAEP Program Director with the same information it would provide to another public school district when a student transfers, including but not limited to:

(1) the student's name, date of birth, and grade level;

(2) enrollment forms and withdrawal form (which shall indicate the student's list of current courses in which he or she is enrolled, the grade earned, and textbooks used in those courses);

(3) notice of expulsion, where relevant;

(4) special education or Section 504 records, if any;

(5) transcript;

(6) the student's Texas Assessment of Knowledge and Skills (TAKS) summary sheets, if applicable;

(7) the student's State of Texas Assessment of Academic Readiness (STAAR) summary, if applicable;

(8) the student's previous year's attendance record;

(9) the student's current attendance records, immunization records, and emergency contact information.

13.03 The Chief Juvenile Probation Officer shall provide the school districts, upon written request of the superintendent, with information including, but not limited to:

(1) the court order placing a student in the JJAEP;

(2) the probation officer's name;

(3) the offense for which the student is being placed in the JJAEP and the location of offense;

(4) the length of time the student is to be assigned to the JJAEP;

(5) any disposition of the charges against the student;

(6) the court order releasing the student from the JJAEP; and

(7) any notice of withdrawal from the JJAEP.

13.04 Notwithstanding any provision herein to the contrary, all Parties that are considered juvenile service providers under applicable law, including the Family Educational Rights and Privacy Act (FERPA) regulations § 99.31(a)(5) and § 99.38; Section 37.084, Tex Education Code 37.084(a) and Tex Family Code, Sect. 58.0051, do hereby agree and make the following certifications regarding the exchange of confidential information from education records pursuant to this MOU:

(1)The designee of a juvenile service provider, who is acting within the scope of his or her employment, shall make the request for confidential information from a student's education record prior to the student's adjudication; and the information requested must relate to the juvenile system's ability to serve the student whose records are requested;

(2)Confidential information from a student's education record shall be used only for the purposes of verifying the identity of a student involved in the juvenile system and to provide delinquency prevention or treatment services to the student prior to adjudication; and

(3)The confidentiality of a student's educational record shall be maintained and shall not be re-disclosed to a third party, except a juvenile service provider that is part of the juvenile justice system and only for the purposes herein, without the prior written consent of the parent of the student or the eligible student.

13.05 Any juvenile criminal history information about a juvenile provided pursuant to the terms of this MOU shall be released only to appropriate school personnel and not to any third

party. For purposes of this Section, "appropriate school personnel" is defined to include superintendents, principals, school psychologists, social workers, and counselors.

13.06 Juvenile criminal history information shall be kept strictly confidential, in a secured area separate from students' other educational records. Such information shall be destroyed by school officials (1) upon notification by the juvenile probation department that the student is no longer under the jurisdiction of the department; or (2) at the end of one calendar year after it has been provided to the school, whichever occurs first.

SECTION XIV

COMPLIANCE WITH LAWS AND REGULATIONS

14.01 In providing all services pursuant to this MOU, FBISD, Member School District(s), and the BOARD shall abide by all statutes, ordinances, rules and regulations pertaining to, or regulating the provision of, such services, including those now in effect and hereafter adopted. Any violation of said statutes, ordinances, rules or regulations shall constitute a material breach of this MOU, and shall entitle FBISD and the BOARD to terminate this MOU immediately upon delivery of written notice of termination.

SECTION XV

SUSPENSION OF STUDENTS

JJAEP Students that are assigned to the JJAEP campus under the status of Expulsion Orders only and not on any form of court ordered probation may be removed/suspended from attending school under the following conditions:

- Having a positive drug test
- Failure to follow the campus rules, i.e., Student Code of Conduct/Consistent and unruly behavior

This applies to only those students that are ordered to attend the JJAEP campus whom are under no other orders other than the Expulsion Orders. Those students that violate the JJAEP campus rules are subject to disciplinary action by the ordering Judge per violations of court ordered probation. Students under the status of Expulsion Orders can

be removed/suspended from the JJAEP campus for a period not to exceed three consecutive days and only at the direction of the site principal.

SECTION XVI

NOTICE

15.01 Notices, correspondence, and all other communications pursuant to this MOU shall be addressed to the Fort Bend County Juvenile Board and submitted to the following representative:

Honorable Toni Wallace
Juvenile Board Chair
301 Jackson Street
Richmond, TX 77469

Notice to FBISD shall be delivered to:

Fort Bend Independent School District
Department of Student Affairs
16431 Lexington Blvd.
Sugar Land, Texas 77479

Notice to SMSD shall be delivered to:

Stafford Municipal School District
Business Office
1625 Staffordshire Road
Stafford, Texas 77477

Notice to AISD shall be delivered to:

Alief Independent School District
Deputy Superintendent of Instruction
4250 Cook Road
Houston, Texas 77072

IN WITNESS HEREOF, the parties have herewith set their signatures as of the date written below.

FORT BEND COUNTY JUVENILE PROBATION BOARD

By: _____

Honorable Toni Wallace, Juvenile Board Chair

Date: _____

FORT BEND INDEPENDENT SCHOOL DISTRICT

By: _____

Superintendent of Schools

Date: _____

STAFFORD MUNICIPAL SCHOOL DISTRICT

By: _____

Superintendent of Schools

Date: _____

ALIEF INDEPENDENT SCHOOL DISTRICT

By: _____

Superintendent of Schools

Date: _____

For: Fort Bend ISD Board of Trustees
Date: July 24, 2023
Action: Consideration and Approval: Ferndell Henry DAEP Relocation to M.R. Wood
References: Board Policy CV (Local)
District Goal 5
Department: Operations

Recommendation

Consideration and approval of a construction services agreement with Job Order Contractor (JOC) E Contractors to perform the necessary renovation at M.R. Wood to prepare the building for relocation of staff and students from Ferndell Henry Center of Learning (FHCL), for a Not-To-Exceed amount of $650,000, and authorization for the Superintendent to negotiate and execute or terminate the agreements.

Summary

As part of the District's facilities plan and student growth projections, the conversion of Ferndell Henry Center of Learning (FHCL) into an elementary school was approved and funded by Bond 2023.

Some renovation work has begun at M.R. Wood in order to prepare the building to receive the staff and students relocated from FHCL and to be ready to offer the Disciplinary Alternative Education Program (DAEP) at M.R. Wood starting in fall 2023.

The work at M.R. Wood includes but is not limited to the addition of data outlets, cameras, sinks, card readers, kitchen set-up with inspections, and minor space reconfiguration required to bring the building up to code.

Staff is requesting approval to proceed with E Contractors as the selected JOC to execute the work while utilizing 2018 Bond Support Funds.

Policy CVF (Legal) states, "The board shall approve each job, task, or purchase order that exceeds $500,000. Gov't Code 2269.403." In accordance with Policy CVF (Legal), Administration is seeking Board approval to award the following contract:

Description	Construction Budget
Ferndell Henry Relocation to M.R. Wood	$650,000

Upon Board approval, staff will negotiate the contract with E Contractors and work will begin once the contract is executed.

Recommended by:

Christie Whitbeck
Superintendent of Schools

Submitted by:

Steve Bassett
Deputy Superintendent

Damian Viltz
Chief Operations Officer

BOT Meeting:	**July 24, 2023**
Solicitation No.:	**RFP 22- 051KB-01**
References:	**District Goal 5**
Description:	**Music Instruments and Related Items (Supplemental)** **<u>Recommendation</u>** Consideration and approval for the purchase of music instruments and related items and authorization for the Superintendent to negotiate and execute the contracts through July 2027. **<u>Summary</u>** In July 2022, the Board approved 22-051KB Music Instruments and Related Items, which expires in July 2027. The purpose of this proposed action is to add additional vendors to the list of previously approved vendors to ensure the District has a comprehensive set of resources to support the District's Fine Arts Music programs. The originally approved length of commitment and authorized expenditure amount does not change. The proposals submitted were evaluated by District band and orchestra teachers, Fine Arts staff, and an assistant principal. Certain school-owned instruments are provided to students because they are too large and/or expensive for most families to afford to purchase. Band instruments provided by the District include flutes; clarinets; trumpets; trombones; oboes; bassoons; bass clarinets; alto, tenor, and baritone saxophones; horns; euphoniums; tubas; and most percussion instruments. Orchestra instruments provided by the District include violins, violas, cellos, double basses, and harps. The District also provides stringed instruments to students enrolled in the Mariachi programs such as guitars, guitarróns, and vihuelas. Pianos are provided for all band, choir, and orchestra programs. **<u>Background</u>** Expenditures for FY 2021-22 were $593,313 and expenditures year-to-date are $307,319. Expenditures are not expected to exceed $5,000,000 through July 2027. Funding is included in the budget.
Requested By:	Kwabena Mensah, Chief of Schools Bryan Guinn, Chief Financial Officer
Vendors:	Alamo Music Center*** Music in Motion*** The Clavier Group, Inc. DBA Steinway Hall Dallas*** Sweetwater Sound*** Teton Music Lyon & Healy Harps*** Brook Mays Music

	Washington Music Sales Center, Inc.***
Budget Sources:	General Fund Activity Fund Bond Funds
Amount:	Not to exceed $5,000,000 through July 2027

Other Supporting Information	
Sole Source:	No
Number of vendors contacted by Purchasing:	127
Number of vendors downloaded the solicitation:	40
Number of responses received:	11
Number of “no bid” responses received:	7
Length of commitment:	Through July 2027
Last solicitation date:	July 25, 2022
Supporting documents:	Evaluation Summary and Rubric
Disclosure under Board Policy CH, CV, or DBD (Local):	None

****Previously awarded a contract of the same scope with the District*

22-051KB-01 Criteria Music Instruments and Related Items (Supplemental)

	Evaluation Criteria	Point System
1	**Purchase Price** • Offer a fair reasonable price for goods and services to be procured by Fort Bend ISD. • Pricing will be evaluated for reasonableness relative to the goods and services offered by each proposer.	25 points
2	**Reputation of the Vendor and of the Vendor's Goods or Services** • Vendor should have a solid reputation with other ISD's, Government or Collegiate entities that show a high level of customer service, a high level of quality of good or services. • Experience: Use and success of the product(s) and/or services in school districts or similar entities. (References will be contacted via e-mail with a deadline. If no response is received by the deadline, there will be points deducted in this section.)	10 points
3	**Quality of the Vendor's Goods or Services** • Service capabilities • Quality of goods • Relevant experience • Experience and competence in dealing with large school districts • Customer service indicative of sound delivery of services	25 points
4	**Extent to Which the Goods or Services Meet the District's Needs** • Days to delivery • Product Availability • Hours of Operation • Return Policy	20 points
5	**Vendor's Past Relationship with the District** For reference, the vendor shall list the following: • Past projects or contracts similar service vendor has had with the district. • Past projects or contracts similar service vendor has had with any K-12 Districts similar size or larger. • Past projects or contracts similar service vendor has had with any business or universities the size of our district.	10 points
6	**Long-Term Cost to the District to Acquire the Vendor's Goods or Services** • Setup fees, other fees, and other added costs	10 points
7	**Vendor's Principal Place of Business is in the State of Texas or Employs 500 People in this State.**	0 points

8	**Insurance Requirements** • Certificate of Insurance as requested in the solicitation. • Certificate of Insurance with the limits outlined, without Fort Bend ISD listed as the certificate holder. • Letter from the vendor's insurance carrier on the insurance carrier's letterhead to Fort Bend ISD	Pass/Fail
9	**Service Agreement:** • **Extent to which the vendor agrees to our Standard Form of Agreement by Signing the Agreement, you assent to the Terms and Conditions of Fort Bend ISD.**	0 points
10	**The impact on the ability of the district to comply with laws and rules relating to Historically Underutilized Businesses (HUB).**	N/A
	TOTAL	**100 points**

Evaluation Summary
RFP 22-051KB-01 Music Instruments and Related Items (Supplemental)

Vendor	Purchase Price (25 pts max)	Reputation of the Vendor and the Vendor's Goods and Services (10 pts max)	Quality of the Vendor's Goods or Services (25 pts max)	Extent to Which the Goods or Services Meet the District's Needs (25 pts max)	Vendor's Past Relationship with the District or Similar Sized District (5 pts max)	Long-Term Cost to the District to Acquire the Vendor's Goods or Services (10 pts max)	Total Score (100 pts. Max)	Proposer's Ranking
Alamo Music Center	25.00	1.00	23.60	23.60	4.40	10.00	87.60	1
Music in Motion	10.00	5.90	23.60	23.60	4.80	10.00	77.90	2
The Clavier Group, Inc. DBA Steinway Hall Dallas	5.00	8.00	25.00	25.00	4.80	10.00	77.80	3
Sweetwater Sound Inc.	10.00	1.00	23.40	23.40	4.80	10.00	72.60	4
Teton Music	20.00	0.50	19.20	19.20	3.00	10.00	71.90	5
Lyon & Healy Harps	5.00	6.00	25.00	25.00	4.80	5.00	70.80	6
Brook Mays Music	5.00	0.50	25.00	25.00	4.80	10.00	70.30	7
WASHINGTON MUSIC SALES CENTER, INC.	5.00	5.30	22.40	22.60	5.00	10.00	70.30	8
Vanderbilt Music Company	6.00	4.00	23.60	23.60	4.60	2.00	63.80	9
B.A.C. Musical Instruments	5.00	1.80	1.40	1.40	1.00	10.00	20.60	10

BOT Meeting:	**July 24, 2023**
Solicitation No.:	**RFQ 22-042AL-01**
References:	**District Goal 5**
Description:	**Nursing Services (Supplemental)** **<u>Recommendation</u>** Consideration and approval for the purchase of nursing services from multiple vendors and authorization for the Superintendent to negotiate and execute the agreements through April 2027. **<u>Summary</u>** On April 25, 2022, the Board approved RFQ 22-042AL Nursing Services to provide Nursing and Healthcare Services to the District. This RFQ provided services to include, but is not limited to, Registered Nurses (RNs), Itinerant Registered Nurses (RNs), Licensed Vocational Nurses (LVNs), and Skilled Nurses for Individuals with Disabilities Education Act (IDEA). This will allow the District to deploy qualified and trained healthcare providers and nurses to campuses and District locations. Seven (7) vendors were awarded on the RFQ awarded in April 2022. On February 7, 2023, Fort Bend ISD issued a supplemental RFQ 22-042AL-01 Nursing Services. The purpose of this proposed action is to provide additional vendors to the list of previously approved vendors to ensure the District has a comprehensive set of resources that align with the District's Nursing Services program and are available to support both general and special education needs. The originally approved length of commitment and authorized expenditure amount does not change. In the absence of the school nurse, the itinerant nurse will fulfill the responsibilities of the school nurse by functioning as a health care provider and manager in the school setting. The itinerant nurse would be allowed to support campus clinics with the completion of student health screenings and health record entry. Nursing and healthcare services are provided for students to strengthen the educational process by providing health services that will assist each student to maintain an optimal level of wellness, facilitating achievement and learning. Nursing services and healthcare services are provided for students as identified in the Individualized Education Program (IEP) and 504 Plan. As with the previous Nursing Services RFQ, an evaluation team from the Special Education, Social/Emotional Learning and Comprehensive Health, and Business and Finance Departments reviewed the vendor submissions. The vendors were selected by the evaluation team on the

	basis of demonstrated competence and qualifications. The selected vendors will allow the District to generate a list of approved vendors for nursing services. **<u>Background</u>** Expenditures for 2021-22 were $1,563,501. Expenditures year-to-date are $447,091. Expenditures are not expected to exceed $5,000,000 through April 2027. Funding is included in the budget.
Requested By:	Kim Lawson, Chief Academic Officer Bryan Guinn, Chief Financial Officer
Vendors:	Donald L. Mooney Enterprises LLC*** Sunbelt Staffing*** Soliant Health*** MedCare Pediatric Nursing, LP Orange Tree Staffing, LLC 24/7 Medstaff ATC Healthcare Services, LLC ProCare Therapy*** American Medical Staffing, Inc.
Budget Sources:	General Funds Federal Funds
Amount:	Not to Exceed - $5,000,000 through April 2027

Other Supporting Information	
Sole Source:	No
Number of vendors contacted by FBISD:	3650
Number of vendors downloaded the solicitation:	125
Number of responses received:	28
Number of “no bid” responses received:	2
Length of commitment:	Through April, 2027
Last solicitation date:	December 2021
Supporting documents:	Evaluation Summary and Criteria
Disclosure under Board Policy CH, CV, or DBD (Local):	None

****Previously awarded a contract of the same scope with the District*

RFQ 22-042AL-01 Nursing Services (Supplemental)

	Evaluation Criteria	Point System
1	**Firm's Approach** • Company's approach, supporting documentation, evidence of competence to undertake such effort	20 points
2	**Methodology** • Company's experience in providing Nursing Services for a Texas public school district. Explanation of methodology, unique challenges, and any other relevant information.	30 points
3	**Qualification** • Qualifications, certifications, experience of personnel/team proposed for this task.	25 points
4	**Past Experience** • Past experience with Fort Bend ISD and/or other districts	15 points
5	**References** • References from prior clients for which your company has provided comparable services. Three (3) should be related to K-12 districts. • The list of References should come from past project examples list within this RFQ and should include at least five (5) individuals outside of Fort Bend ISD. References will be contacted via e-mail with a deadline. If no response is received by the deadline, there will be points deducted in this section	10 points
	TOTAL	**100 points**

Evaluation Summary
RFQ 22-042AL-01 Nursing Services (Supplemental)

Vendor	Firm's approach, supporting documentation, evidence of competence to undertake such effort (20 pts. Max)	Firm's experience as a provider of consulting resources including explanation of project methodology, unique challenges any other relevant information (30 pts. Max)	Qualifications, certifications, the experience of of key personnel (25 pts. Max)	Past experience with FBISD and/or other Districts. K-12 Experience, Higher Education or Governmental Experience (15 pts. Max)	Five (5) References from prior clients for which your firm has provided comparable services (10 pts. Max)	Proposer's Total Score (100 pts. Max)	Proposer's Ranking
Donald L. Mooney Enterprises LLC	18.33	24.00	22.33	13.67	5.00	83.33	1
Sunbelt Staffing	18.00	23.00	20.67	12.33	5.20	79.20	2
Soliant Health	16.00	24.67	20.00	12.33	4.90	77.90	3
MedCare Pediatric Nursing, LP	18.33	22.33	22.00	13.67	1.00	77.33	4
Orange Tree Staffing, LLC	17.00	21.67	21.67	11.33	5.40	77.07	5
24/7 Medstaff	17.00	20.00	21.67	13.33	4.10	76.10	6
ATC Healthcare Services, LLC	14.67	23.00	21.33	12.67	1.90	73.57	7
ProCare Therapy	16.33	23.33	20.33	12.33	0.50	72.83	8
American Medical Staffing, Inc.	16.00	22.33	18.33	7.67	6.60	71.93	9
ProLink Staffing	14.00	19.33	19.00	12.00	1.90	66.23	10
Delta-T-Group Texas, Inc.	15.67	22.33	17.00	9.00	1.00	65.00	11
Marceo Carter Investments LLC dba Sterling Staffing Solutions	14.33	17.00	18.33	11.00	2.00	62.67	12
HUCKEYE HEALTH STAFFING	12.00	17.67	14.00	8.67	10.00	62.33	13
Siter-Neubauer & Associates	13.00	18.67	12.67	8.00	5.50	57.83	14
CareerStaff Unlimited, LLC	10.67	19.00	16.00	11.00	1.00	57.67	15

Ro Health, LLC	16.33	17.33	16.00	6.67	1.00	57.33	16
Greenstaff Medical LLC	12.33	19.00	18.33	7.33	0.05	57.05	17
Zentech Consulting LLC	13.00	15.33	14.33	8.33	1.00	52.00	18
Quality Response Medical Staffing LLC	11.00	12.67	17.00	3.67	5.50	49.83	19
Ondek Healthcare	13.33	12.33	19.00	4.67	0.50	49.83	20
Hopewell Staffing	9.33	12.33	16.00	6.67	5.30	49.63	21
HCL Global Systems Inc	10.33	13.00	17.00	4.00	0.50	44.83	22
Esthers Customer Support DBA ECS Virtual Support	15.00	12.00	13.67	3.00	1.00	44.67	23
A.T. Staffing	5.67	9.00	14.00	4.67	5.50	38.83	24
Virtelligence	10.33	10.00	9.00	7.33	1.00	37.67	25
Compu-Vision Consulting Inc	9.00	11.67	9.33	4.67	0.50	35.17	26
TrueCare24, Inc.	9.00	11.00	9.67	3.67	1.00	34.33	27
GET HIRE STAFFING	5.33	6.33	8.33	4.67	5.50	30.17	28

BOT Meeting:	**July 24, 2023**
Solicitation No.:	**23-070DE Texas Education Agency (TEA)**
References:	**District Goal 5**
Description:	**Student Support Services** **Recommendation** Consideration and approval for the purchase of student support services from Communities in Schools Houston (CISH) in an amount not-to-exceed $591,140 and authorization for the Superintendent to negotiate and execute the agreement through June 2024. **Summary** In accordance with Chapter 33.151-159 of the Texas Education Code and District policy EHBC (LEGAL), a district may use a private or public community-based dropout recovery education program to provide alternative education programs for students at risk of dropping out of school. The program may be offered at a campus or using an online program that leads to a high school diploma and prepares the student to enter the workforce. A campus-based dropout recovery education program must meet the criteria set forth in the Education Code 29.081 (e-1) (1) - (5). An online dropout recovery education program must meet the criteria set forth in Education Code 29.081(e-2) (1) - (8). Under Sec. 33.157 Participation in Program - An elementary or secondary school receiving funding under Section 33.156 (Funding; Expansion of Participation) shall participate in a local Communities in Schools program if the number of students enrolled in the school who are at risk of dropping out of school is equal to at least 10 percent of the number of students in average daily attendance at the school, as determined by the agency. In the Texas Education Code Sec. 33.152 Statewide Operation of Program - It is the intent of the legislature that the Communities in Schools program operate throughout this state. It is also the intent of the legislature that programs established under Chapter 305 (Texas Career Opportunity Grant Program), Labor Code, as that chapter existed on August 31, 1999, and its predecessor statute, the Texas Unemployment Compensation Act (Article 5221b-9d, Vernon's Texas Civil Statutes), and programs established under this subchapter shall remain eligible to participate in the Communities in Schools program if funds are available and if their performance meets the criteria established by the agency for renewal of their contracts.

	The mission of CISH is to provide and to coordinate student assistance services at the campus in order to best meet the physical and emotional needs of at-risk students in order to empower these students to remain in school. Each of the campus' CISH offices is staffed by one or more CISH Student Support Specialists, based on campus needs and campus budget, who work closely with the school staff within the framework of the campus improvement plan. The CISH staff members assigned to the Fort Bend ISD schools will support improved student outcomes by helping to address student needs at school, as well as needs beyond the school walls, by coordinating efforts to help students and their parents obtain services related to, but not limited to, social and emotional support, financial needs, and parent training. CISH leverages public funding with private financial and volunteer support plus the services of over 100 agencies. Fort Bend ISD desires to engage CISH to provide the following: • Dropout prevention and/or mental health services • Supervision, oversight, and background clearance of a Case Manager and Project Manager • Guidance and Counseling services • Academic Support • Health and Human Services • College and Career Awareness and tutorial activities • Cultural enrichment activities • Parent involvement activities • Summer programs Staff will return to the Board to request authorization for student support services from Communities in Schools Houston (CISH) on an annual basis. **<u>Background</u>** Expenditures in 2022-23 were $229,568 for these services. Expenditures will not exceed $591,140 through June 2024. Funding is included in the budget.
Requested By:	Kimberly Lawson, Chief Academic Officer Kwabena Mensah, Chief of Schools Bryan Guinn, Chief Financial Officer
Vendor:	Communities In Schools Houston***
Budget Sources:	Title I Title IV
Amount:	Not to Exceed $591,140 through June 2024
Other Supporting Information	

Sole Source:	No
Number of vendors contacted by Purchasing:	N/A
Number of vendors downloaded the solicitation:	N/A
Number of responses received:	N/A
Number of “no bid” responses received:	N/A
Length of commitment:	Through June 2024
Last solicitation date:	N/A
Supporting documents:	N/A
Disclosure under Board Policy CH, CV, or DBD (Local):	None

******* *Previously awarded a contract of the same scope with the District.*

BOT Meeting:	**July 24, 2023**
Solicitation No.:	**23-086AB Texas Department of Agriculture (TDA)**
References:	**District Goal 5**
Description:	**Commercial Warehouse and Food Distribution Service for USDA Foods** **<u>Recommendation</u>** Consideration and approval for the purchase of commercial warehouse and food distribution services for United States Department of Agriculture (USDA) foods from Gold Star Foods, Inc. through an interlocal agreement with the Texas Department of Agriculture (TDA) in an amount not-to-exceed $300,000, and authorization for the Superintendent to negotiate and execute the agreement through May 2025. **<u>Summary</u>** On December 11, 2020, TDA released RFP 551-20-00488 soliciting proposals from qualified vendors to receive, store, and deliver USDA foods to designated organizations throughout the state of Texas. The awarded vendors were assigned to school districts by region. The District is charged a fee for any commodities stored over 60 days. Fort Bend ISD did not conduct a procurement as TDA selects and designates the vendor to utilize for these services. This would fall under the exemption in 2 CFR 200.320(c)(4) with regards to competitive bidding requirements. Renewal options are available through May 2025. Should either contract not be renewed for the full term, staff will return to the Board to request authorization to utilize an alternate inter-local contract, or an alternate procurement method. **<u>Background</u>** Expenditures in 2022-23 were $63,293 for these services. Expenditures will not exceed $300,000, through May 2025 and funding is included in the budget.
Requested By:	Bryan Guinn, Chief Financial Officer Matthew Antignolo, Executive Director Child Nutrition
Vendor:	Gold Star Foods
Budget Sources:	Child Nutrition Fund
Amount:	Not to Exceed - $300,000 through May 2025

Other Supporting Information	
Sole Source:	No
Number of vendors contacted by Purchasing:	N/A
Number of vendors downloaded the solicitation:	N/A

Number of responses received:	N/A
Number of “no bid” responses received:	N/A
Length of commitment:	Through May 2025
Last solicitation date:	N/A
Supporting documents:	N/A
Disclosure under Board Policy CH, CV, or DBD (Local):	None

For: Fort Bend ISD Board of Trustees
Date: July 24, 2023
Action: Consideration and Approval:
Budget Amendment
Technology Projects
References: Board Policy CV (Local)
District Goal 5
Department: Information Technology

Recommendation

Consideration and approval of a budget amendment to transfer $6,209,024 between Information Technology projects.

Summary

District policy requires Board approval for the transfer of funds between bond projects. The Board previously approved an amendment in February 2023 to move funds from the Classroom Toolset project to the Network project. With the continued supply chain challenges, this action has allowed IT to place an order for the oldest and most critical network equipment first. Since the initial order of network equipment has been placed and with Bond 2023 successfully passed, these funds are needed to replenish the 2018 Bond Classroom Toolset project fund, enabling the project team to continue to purchase and refresh student devices.

Going forward, the District will use funds from the 2023 Bond for the purchase of network equipment for the planned refresh.

Project	2018 Bond Budget	Budget Amendment	Adjusted Budget
Audio/Visual	$5,977,016		$5,977,016
Classroom Toolset	82,946,371	6,209,024	89,155,395
Infrastructure	17,893,464		17,893,464
Network	13,194,562	(6,209,024)	6,985,538
Staff Refresh	12,997,538		12,997,538
Systems	4,558,068		4,558,068
Total	**$137,567,019**	**$ 0**	**$137,567,019**

Recommended by:

Christie Whitbeck
Superintendent of Schools

Submitted by:

Long Pham
Chief Information Officer

For: Fort Bend ISD Board of Trustees
Date: July 24, 2023
Action: Consideration and Approval: Budget Amendment Regarding Use of 2018 Bond Program Contingency Funds
References: Board Policy CV (Local)
District Goal 5
Department: Operations

Recommendation

Consideration and approval for the use of 2018 Bond Program Contingency as proposed.

Summary

Miscellaneous districtwide projects were identified as projects requiring funds. The 2018 Bond Program was established with an initial program contingency of $5,019,364 intended to address unforeseen critical issues. The cumulative program contingency as of June 26, 2023, is $1,161,753.48.

It is important to note that the Program Contingency discussed above is a "working" program contingency account that fluctuates on a day-to-day basis as surplus budgeted funds are contributed to the account, or as the Board approved the use of available funds.

Background

The Program Contingency is comprised of the initial approved contingency budget and any surplus budget from completed projects or amounts unspent due to a change of scope. The table below includes projects that will be recommended for approval at the July 24 Board meeting and reflects the projected Program Contingency balance as of July 2023.

Description	Budget (Shortage)/Surplus
Cumulative Program Contingency as of June 26, 2023	$1,161,753.48
Contributions	
PKG099 Madden Land Swap	$37,697.00
Contribution Sub-Total	$37,697.00
Uses	
PKG099 Bond Survey	($41,705.00)
PKG099 Bond Marketing Consultant	($49,500.00)
PKG099 Harvest Green Feasibility Studies	($140,000.00)
PKG099 CTE Cafeteria Tables	($30,529.53)
PKG099 Elevator Knox Boxes – District Wide	($64,800.00)
PKG099 PeopleSoft HCM Contracts	($525,111.00)
Use Sub-Total	($851,645.53)

Net Proposed Activity July 2023	($851,645.53)
Cumulative Bond Program Contingency as of July 24, 2023	$347,804.95

Recommended by:

Christie Whitbeck
Superintendent of Schools

Submitted by:

Damian Viltz
Chief Operations Officer

BOT Meeting:	**July 24, 2023**
Solicitation No.:	**20-073AR-01 Central Texas Purchasing Alliance**
References:	**District Goal 5**
Description:	**Elevator Service, Maintenance, Repair, and Related Items (Supplemental)** **<u>Recommendation</u>** Consideration and approval for the purchase of elevator service, maintenance, repair, and related items through the Central Texas Purchasing Alliance contract from Elevator Transportation Services, Inc., and authorization for the Superintendent to negotiate and execute the agreement through January 2025. **<u>Summary</u>** In March 2020, the Board approved 20-073AR Elevator Service, Maintenance, Repair, and Related Items, which expires January 31, 2025. The purpose of this supplemental is to add additional vendor(s) to the list of previously approved vendors. The originally approved length of commitment and authorized expenditure amount does not change. Fort Bend ISD Facilities Department is requesting to add Elevator Transportation Services to the authorized vendor list to ensure all elevators and lifts stay in good working condition. It is crucial to have all District elevators and lifts in working condition to aid in the movement of staff and students between levels, especially for those with mobility issues. Under the authority granted in the Texas Government Code §791.001 The Interlocal Cooperation Act et seq as amended, allows local governments like Fort Bend ISD the ability to increase the efficiency and effectiveness of local governments by authorizing them to contract, to the greatest possible extent, with one another and with other local governments and agencies of the state to perform governmental administrative functions. Local Government Code § 271.102, Cooperative Purchasing Program Participation (a) A local government may participate in a cooperative purchasing program with another local government of this state or another state or with a local cooperative organization of this state or another state. Government Code § 791.025 (c) A local government that purchases goods and services under this section satisfies the requirement of the local government to seek competitive bids for the purchase of the goods and services. Once a school district has determined that a local cooperative purchasing program will afford the

	district the best value, it need not follow any specific competitive procurement process. This is a cooperative contract with Galena Park ISD, a member of the Central Texas Purchasing Alliance (CTPA). The CTPA is a statewide purchasing cooperative that has been in existence since 2003 and serves over 1.5 million students and thousands of procurement professionals across 210 independent school districts throughout the State of Texas. Through Section 791.001 of the Texas Government Code, the Alliance and its members have a collective desire to provide professional development through information sharing, mentoring, and the exchange of purchasing tools, resources, and processes while also benefitting our members through consolidated purchasing opportunities. The CTPA offers legal procurement, and contract solutions to meet government purchasing requirements. They are a nonprofit established by local governments to assist public agencies in reducing the cost of purchased goods. The CTPA pools the purchasing power of their members to achieve bulk volume discounts. These competitively bid contracts are obtained through a lead public agency in accordance with their public purchasing rules and regulations. CTPA members who are acting as the Lead Agency are a public governmental entity. Staff at the Lead Agency is responsible for completing the competitive government procurement process. The Lead Agency utilizes their standard templates, which are reviewed and updated by their legal counsel to comply with procurement law requirements, as appropriate. Once the public solicitation is completed, it is solely awarded by the Lead Agencies Board of Trustees at a public meeting. These solicitation requirements also meet the requirements specified in Texas Educ. Code § 44, Texas Local Gov't. Codes § 262 and 271, and in the case of job order contracts, Texas Government Code § 2269, and Federal Regulations Code 24 CFR 85.36. They also meet all cooperative requirements of the EDGAR/Uniform Guidance/2 CFR 200 as interpreted by the US Department of Education. Most solicitations provide for multiple awards for the vendor price agreements. Vendor agreement/contract awards are made when scoring is completed pursuant to a delegation of authority by the Lead Agency Board of Directors and reported to the Board at regular scheduled monthly meetings held in compliance with their Open Meetings Act. Fort Bend ISD is a member in good standing of the Central Texas Purchasing Alliance (CTPA), an alliance of over 210 school districts in Texas representing over a million students, sharing information, services, and contractual opportunities. CTPA is an alliance created in accordance with Section 791.001 of the Texas Government Code through interlocal agreements. District contracts may be adopted by other active CTPA member districts. By adopting a contract from another CTPA member district, the adopting district has met the competitive bidding requirements established by the Texas Education

	Code, Section 44.0331(a)(4) and as required by the adopting district's policies. There is no obligation on either party to participate unless both parties agree. The goods and services provided under the contract will be at the same or better pricing and purchasing terms established by the originating district. The CTPA contract will allow the District to fulfill its elevator maintenance and repair needs efficiently and effectively and complies with school district bidding requirements. The CTPA cooperative purchasing contract has renewal options through 2025. Should the contract not be renewed for the full term, staff will return to the Board to request authorization to utilize an alternate cooperative contract, or an alternate procurement method. **<u>Background</u>** Expenditures in 2021-22 were 331,729 for these services. Expenditures will not exceed $2,250,000, through January 2025. Funding is included in the budget.
Requested By:	Damian Viltz, Chief Operations Officer Bryan Guinn, Chief Financial Officer
Vendor:	Elevator Transportation Services, Inc.
Budget Sources:	General Fund
Amount:	Not to Exceed $2,250,000 through January 2025

Other Supporting Information	
Sole Source:	No
Number of vendors contacted by Purchasing:	N/A
Number of vendors downloaded the solicitation:	N/A
Number of responses received:	N/A
Number of "no bid" responses received:	N/A
Length of commitment:	Through January 2025
Last solicitation date:	N/A
Supporting documents:	N/A
Disclosure under Board Policy CH, CV, or DBD (Local):	None

*** *Previously awarded a contract of the same scope with the District.*

BOT Meeting:	**July 24, 2023**
Solicitation No.:	**RFP 23-060DE**
References:	**District Goal 5**
Description:	**Work Uniforms, Related Items and Services** **Recommendation** Consideration and approval for the purchase of work uniforms, related items and services from multiple vendors in an amount not to exceed $445,472 and authorization for the Superintendent to negotiate and execute the agreements through July 2028. **Summary** On April 4, 2023, Fort Bend ISD issued RFP 23-060DE Work Uniforms, Related Items and Services. The proposal requested for the purchase of new uniforms and rental uniforms to provide District personnel with a choice of work uniform styles suitable for their respective roles. The uniforms will be utilized by employees across various departments and campuses, particularly personnel at the Distribution Center, Facilities, Transportation and Career and Technical Education (CTE) Departments. Vendors who provide new uniforms will have the capability to apply patches, embroidery, and screen printing. Rental services will include regular maintenance and replacement of damaged or worn-out uniforms. The recommended rental uniform vendors will pick up, clean, and deliver rental uniforms weekly to the Warehouse, Facilities, Hodges Bend Transportation and Lake Olympia Transportation Terminal buildings in addition to providing alterations. The ability to provide alterations is necessary to ensure that the clothing fits properly and is comfortable for District employees to wear. Alterations may include hemming, taking in or letting out seams, or other adjustments that are needed to ensure a proper fit. This requirement ensures that the District's uniform needs are met with high-quality workmanship and attention to detail. Uniform styles and colors vary by department. A basic rental uniform consists of a button-down shirt with a Fort Bend ISD embroidered logo patch and name patch of the employee and a pair of slack style pants. Purchase uniforms include, but are not limited to, custodian polo shirts, cold weather apparel, ball caps, safety vests, etc. A multiple vendor award is recommended for the purchase of uniforms and/or rental of uniforms. This offers the District a variety of uniform options. An evaluation team comprised of Fort Bend ISD staff members from the Facilities, Transportation and Business and Finance Departments evaluated the proposals. **Background**

	The term of this contract is for three (3) years with two (2) optional one-year extensions. The contract term will begin on July 24, 2023, and will run through July 23, 2026. With the two (2) option years, the contract can be extended until July 23, 2028. Expenditures for FY 2021-22 were $ 83,556. Expenditures year-to-date are $92,469. Expenditures are not expected to exceed $445,472 through July 2028. Funding is included in the budget.
Requested By:	Damian Viltz, Chief Operating Officer Bryan Guinn, Chief Financial Officer
Vendors:	Aramark Buffalo Specialties Cintas Corporation Halo branded solutions Lone Star Towel and Mat Services, LLC*** Trinity Enterprise Group LLC
Budget Sources:	General Fund
Amount:	Not to exceed $445,472 through July 2028

Other Supporting Information	
Sole Source:	No
Number of vendors contacted by FBISD:	3065
Number of vendors downloaded the solicitation:	124
Number of responses received:	8
Number of “no bid” responses received:	7
Length of commitment:	Through July 2028
Last solicitation date:	August 22, 2017
Supporting documents:	Evaluation Summary and Criteria
Disclosure under Board Policy CH, CV, or DBD (Local):	None

****Previously awarded a contract of the same scope with the District*

RFP 23-060DE - Work Uniforms, Related Items and Services

	Evaluation Criteria	Point System
1	**Purchase Price** • Offer a fair reasonable price for goods and services to be procured by Fort Bend ISD. • Pricing will be evaluated for reasonableness relative to the goods and services offered by each proposer.	25 points
2	**Reputation of the Vendor and of the Vendor's Goods or Services** • Vendor should have a solid reputation with other ISD's, Government or Collegiate entities that show a high level of customer service, a high level of quality of goods or services. • Experience: Use and success of the product(s) and/or services in school districts or similar entities. (References will be contacted via e-mail with a deadline. If no response is received by the deadline, there will be points deducted in this section.)	5 points
3	**Quality of the Vendor's Goods or Services** • Service capabilities • Vendor relevant experience • Demonstrates competence • Quality control • Experience and competence in dealing with large school districts • Customer service indicative of sound delivery of services	25 points
4	**Extent to Which the Goods or Services Meet the District's Needs** • Vendors ability to meet requirements in the proposal • Vendor's understanding of the scope of work to be performed • Products or service meet the district standard • Delivery Schedule	25 points
5	**Vendor's Past Relationship with the District** For reference, the vendor shall list the following: • Contracts from current or past projects for similar services that vendor has performed for Fort Bend ISD • Contracts from current or past projects for similar service that vendor has performed for any K-12 Districts of similar size or larger • Contracts from current or past projects for similar service that vendor has performed for any business or universities the size of our district	5 points
6	**Long-Term Cost to the District to Acquire the Vendor's Goods or Services** • setup fee, maintenance fee, other fees, and other added cost	10 points

7	**Vendor's Principal place of business is in the state of Texas or Employs 500 People in this State.**	0 points
8	**Insurance Requirements** • Certificate of Insurance as requested in the solicitation. • Certificate of Insurance with the limits outlined, without Fort Bend ISD listed as the certificate holder • Letter from the vendor's insurance carrier on the insurance carrier's letterhead to Fort Bend ISD	Pass/Fail
9	**Service Agreement** • Extent to which the vendor agrees to our Standard Form of Agreement by **Signing the Agreement**, you assent to the Terms and Conditions of Fort Bend ISD.	5 points
10	**The impact on the ability of the district to comply with laws and rules relating to Historically Underutilized Businesses (HUB).**	N/A
	TOTAL	**100 points**

Tabulation Summary
RFP 23-060DE - Work Uniforms, Related Items and Services

Vendor	Purchase Price (25 pts. Max)	Reputation of Vendor and Vendor's Goods and Services (5 pts. Max)	Quality of Vendors Goods and Services (25 pts. Max)	Extent to which the Goods and Services Meet the Needs of the District (25 pts. Max)	Vendors Past Relationship with the District (5 pts. Max)	Long Term Cost to the District (10 pts. Max)	Agreement to Fort Bend ISD Terms and Conditions (5 pts. Max)	Proposer's Total Score (100 pts. Max)	Proposer's Ranking
Cintas Corporation	15.00	0.50	23.67	23.67	3.67	10.00	2.50	79.01	1
Lone Star Towel and Mat Services, LLC	15.00	0.50	20.67	19.67	5.00	10.00	5.00	75.84	2
Aramark	20.00	1.00	20.00	20.33	2.00	10.00	1.00	74.33	3
Halo branded solutions	10.00	1.00	23.00	18.33	4.67	10.00	5.00	72.00	4
Buffalo Specialties	25.00	3.00	13.33	13.33	2.33	10.00	5.00	71.99	5
Trinity Enterprise Group LLC	10.00	1.00	21.33	20.00	3.00	10.00	5.00	70.33	6
UniFirst	10.00	0.50	17.33	18.00	4.00	10.00	5.00	64.83	7
JONAHS ENTERPRISES INC.	10.00	4.00	14.00	16.00	2.33	10.00	5.00	61.33	8

BOT Meeting:	**July 24, 2023**
Solicitation No.:	**23-090DE Interlocal**
References:	**District Goal 5**
Description:	**UT OnRamps Program** **<u>Recommendation</u>** Consideration and approval of UT OnRamps program from the University of Texas at Austin in an amount not to exceed $250,000 and authorization for the Superintendent to negotiate and execute the agreement through August 2024. **<u>Summary</u>** The purpose of this contract is to request approval under Chapter 44, § 44.031(a) of the Texas Education Code, or Chapter 791, Interlocal Cooperation Act, and Board Policies CH (LEGAL) CH (LOCAL) purchasing and acquisition of goods and services. The Board of Trustees is required to approve expenditures valued at $50,000 or greater. In partnership with the University of Texas at Austin, the UT OnRamps program provides dual enrollment opportunities for students and professional development for teachers. This contract will allow the District to implement OnRamps by offering simultaneous high school and college courses through a dual-enrollment model and high school teacher training, in the form of professional development. OnRamps offers high school students the opportunity to earn high school credits from Fort Bend ISD and college credits from UT Austin through a dual enrollment model. The purpose of Fort Bend ISD offering the OnRamps program is to provide additional options to better support all our students in advancement in their college and career readiness and more opportunities for earning college credit for their future success. This partnership also creates an affordable and convenient UT experience for Texas students regardless of their location or their college plans. The textbooks are part of the program and do not pose an additional cost to the District, students, or families. It also increases the number and diversity of students who engage in learning experiences aligned with the expectations of leading research universities. Designed by UT faculty, the college-level courses allow students to earn both high school and college credit if they successfully meet the college course requirements. Local high school teachers who are trained by UT faculty teach the courses in conjunction with UT faculty. Three kinds of teacher training opportunities are provided as part of the program: virtual asynchronous pre-professional learning, one-day virtual workshops each fall and spring, and one-week summer virtual institutes. Additionally,

	Onramp's teachers are mentored virtually throughout the year by UT faculty. Under the authority granted in the Texas Government Code §791.001 The Interlocal Cooperation Act et seq as amended, allows local governments like Fort Bend ISD the ability to increase the efficiency and effectiveness of local governments by authorizing them to contract, to the greatest extent possible, with one another and with other local governments and agencies of the state to perform governmental administrative functions. Local Government Code § 271.102, Cooperative Purchasing Program Participation (a) A local government may participate in a cooperative purchasing program with another local government of this state or another state or with a local cooperative organization of this state or another state. Government Code § 791.025 (c) A local government that purchases goods and services under this section satisfies the requirement of the local government to seek competitive bids for the purchase of the goods and services. Once a school district has determined that a local cooperative purchasing program will afford the district the best value, it need not follow any specific competitive procurement process. Fort Bend ISD and UT Austin will share the responsibility to implement the OnRamps program. Staff will return to the Board to request authorization for the UT OnRamps Program on an annual basis. **<u>Background</u>** Expenditures will not exceed $250,000 through June 2024. Funding is included in the budget.
Requested By:	Kimberly Lawson, Chief Academic Officer Kwabena Mensah, Chief of Schools Bryan Guinn, Chief Financial Officer
Vendor:	The University of Texas at Austin ***
Budget Sources:	General Fund Student Activity Title I Title II Title IV
Amount:	Not to Exceed $250,000 through August 2024

Other Supporting Information	
Sole Source:	No
Number of vendors contacted by Purchasing:	N/A
Number of vendors downloaded the solicitation:	N/A
Number of responses received:	N/A
Number of "no bid" responses received:	N/A
Length of commitment:	Through August 2024
Last solicitation date:	N/A

Supporting documents:	N/A
Disclosure under Board Policy CH, CV, or DBD (Local):	None

*** *Previously awarded a contract of the same scope with the District.*

UT OnRamps planning and estimated cost for the 2023-24 school year

We have been working together to drive the support for teachers to be trained and students to take these Dual Enrollment courses through UT OnRamps for the 2023-24 school year, I am sharing the information here to support any additional discussion that might be needed. This could significantly benefit our overall CCMR accountability as well.

Dr. Lawson, Dr. Lemley, Melissa Hubbard, and I have all discussed this opportunity with the HS principals. My belief is that Beth Martinez has been part of the discussions. That said there are so many things going on I want to share the information to support moving forward

Like most Board approved items, the $500,000 that is listed on the Docuware document Doris requested that I fill out to bring the item to the Board, provides the highest cost for OnRamps would cost for us to bring to the board the contract for OnRamps. The cost will only be $500,000+ if all campuses actually participate, only if all the needed teachers agree to be trained, and only if all the students that should take part and or participate in this opportunity. We don't have all HS campuses, nor the needed teachers nor all the students that need this participating.

We are currently very much below the needed participation so we won't get close to the number that would equate to the $500,000.

Title II, Title I, and Title IV funds are the main funding sources. Along with 199 based on my understanding, if a student pays for participating then it goes in through rev. trac and then that is then put into the general fund and then paid out of 199 even though it seems like this would be more like a student activity account like maybe a 469 account.

Title II would pay for teacher stipends at $2000 per teacher for the training time
Title IV would pay for the cost of the training $850 per teacher
Title IV could pay for the cost of the students at $99 for free and reduced lunch and regular price of $149 per student per course
Teachers don't have to have a masters.
Students don't have to be TSI complete nor pass a portion to participate in a course.
Students are able to earn College credit from UT Austin

There is not a request for new or additional personnel. There is not a request for software. There is a need for a device for the students and teachers participating to access the materials and systems from the University of Texas at Austin. From conversations with Chris Nilsson, all our HS students have access to a device and if they don't, campuses simply need to contact him to get those deployed.

Here is the link to the working planning document about OnRamps implementation. Onramps Supplimental Pay Document.docx

The cost estimates are made on the highest cost as we don't have the exact students at this moment so this could be basically $50 cheaper per student if they were all on free and reduced lunch. The total high-cost estimate for 2023-24 is $240,270. at this moment unless others also take part in this opportunity.

This is about half of what it could be for the 2023-24 school year as all those that could participate are not taking part in this opportunity.

Campus Name	UT OnRamps Course	Instructors Name	# of Sections	Added to UT OnRamps Pre-Planning	Course Code	Course notes	Higher per student course cost	Number of students per section	Cost for students	Cost for Teachers	Total
Bush	Rhetoric	Elexia Strickland	2	Yes		ELA IV	149	50	$7,450	$2,850	$10,300
Clements	US History	Meredith Meece	3	Yes	SS432T		149	90	$13,410	$2,850	$16,260
Dulles	Algebra II/College Algebra	Ramachandran Vadakkemadem	1	Yes	MA232T		149	30	$4,470	$2,850	$7,320
Dulles	Physics I	Mary Mejia	1	Yes	sc342T		149	30	$4,470	$2,850	$7,320

Dulles	Rhetoric	Michalis	1	Yes	EL132T	English III	149	25	$3,725	$2,850	$6,575
Dulles	US History	Austin Kent	1	Yes	SS432T		149	30	$4,470	$2,850	$7,320
Elkins	Algebra II/College Algebra	Rosemaria Varghese	2	Yes	MA232T		149	60	$8,940	$2,850	$11,790
Elkins	Pre-Cal	Xin Mao	2	Yes	MA240T		149	60	$8,940	$2,850	$11,790
Hightower	Algebra II/College Algebra	Brannon Roderick	2	Yes	MA232T		149	60	$8,940	$2,850	$11,790
Hightower	Rhetoric	Reagan Jones	2	Yes	EL132T	English III	149	60	$8,940	$2,850	$11,790
Hightower	Rhetoric	Nakia Earl	2	Yes	EL142T	ELA IV	149	60	$8,940	$2,850	$11,790
Marshall	Physics I	Hazel Yater	4	Yes	sc342T		149	120	$17,880	$2,850	$20,730
Marshall	Rhetoric	Allysun Atwater	3	Yes	EL142T	ELA IV	149	60	$8,940	$2,850	$11,790
Marshall	Statistics	Porsha Hopes	3	Yes	MA450T		149	90	$13,410	$2,850	$16,260
Marshall	US History	Marcus Washington	6	Yes	SS432T		149	180	$26,820	$2,850	$29,670
Ridge Point	Biology	Mahalkshmi Panchavati	1	Yes			149	30	$4,470	$2,850	$7,320
Ridge Point	Rhetoric	Ryan Corey	1	Yes	EL142T	ELA IV	149	25	$3,725	$2,850	$6,575

Travis	Rhetoric	Angela Garrett	*3*	Yes			149	60	$8,940	$2,850	$11,790
Travis	Rhetoric	Bryan Sarow	*3*	Yes			149	60	$8,940	$2,850	$11,790
Willowridge	Rhetoric	Vanessa Lofters	2	Yes	EL142T	ELA IV	149	50	$7,450	$2,850	$10,300
Totals									$183,270	$57,000	$**240,270**

Below are the numbers of students and staff that **could** take part in this opportunity and the realistic estimates.

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Stipends and Training and students											
Campus	**Total C/O 24 Not CCMR Ready**	**Need ELA College Prep**	**Serving 120 students with 2 ELA teachers**	**How many students are unserved if we don't train more teachers in Onramps?**	**How many more ELA TEs do we need?**	**ECO DIS Students**	**# of Teachers receiving Training**	**Stipend amount ($33. Avg. Per hr. at 60 hours)**	**Stipends of $2000. per teacher**	**Training costs @ $850 per teacher per course**	**Total**
DHS	317	230	120	110	2	198	4	$2,000	$8,000	$3,400	$11,400
WHS	242	220	120	100	2	200	2	$2,000	$4,000	$1,700	$5,700
CHS	180	122	120	2	0	60	3	$2,000	$6,000	$2,550	$8,550
KHS	330	249	120	129	2	224	2	$2,000	$4,000	$1,700	$5,700
EHS	306	194	120	74	1	138	4	$2,000	$8,000	$3,400	$11,400
AHS	244	160	120	40	1	129	2	$2,000	$4,000	$1,700	$5,700
HHS	514	411	120	291	3	348	3	$2,000	$6,000	$2,550	$8,550
BHS	460	339	120	219	2	321	2	$2,000	$4,000	$1,700	$5,700
MHS	233	209	120	89	2	191	6	$2,000	$12,000	$5,100	$17,100

THS	417	254	120	134	2	190	4	$2,000	$8,000	$3,400	$11,400
RPHS	352	192	120	72	1	127	3	$2,000	$6,000	$2,550	$8,550
FHHS	31	31	31	0	0	20	1	$2,000	$2,000	$850	$2,850
PHS							1	$2,000	$2,000	$850	$2,850
Total	3626	2614	1351	1260	18	2146	37		$74,000	$31,450	$105,450

https://onramps.utexas.edu/what-we-offer/distance-ed/teachers/pld/

2023 Virtual Summer Professional Learning Experience	Returning Instructors (18 total CPE hours)	New Instructors (60 total CPE hours)
Self-Directed Assignments Complete asynchronous, self-directed modules to set the stage for subsequent collaboration and learning during synchronous sessions.	**CPE Hours:** 6 **Date Available:** April 3 **Due Date:** Prior to Instructor's synchronous PLI sessions	**CPE Hours:** 30 **Date Available:** April 3 **Due Date:** Prior to Instructor's synchronous PLI sessions
Synchronous Sessions Attend **one of the session options** hosted via Zoom to deepen course content knowledge and prepare for upcoming implementation.	**CPE Hours:** 12 **Options:** June 13 - June 14 June 21 - June 22* July 18 - July 19	**CPE Hours:** 30 **Options:** June 26 - June 30 July 24 - July 28
*The June 21 - June 22 Returning Instructor dates are only available to College Algebra, Precalculus, Rhetoric, History, Physics I, and Chemistry I Instructors.		

Teacher Training and Stipends

- We also conversed about if this time can count toward the content requirements for summer required content learning 7 hours.
- Set up Virtual meetings with Jennifer Garrigan
- Share the PD Content hours –hours may not be excused as the teachers also teach FBISD courses yet there is a stipend
- Share with the teachers the class cap for Rhetoric is 20 students or 25 per class if only offering 2 sections not to exceed 60 students per teacher. Share exceptions for consideration if needed.

Costs: What can we cover?

- When can we get billed so we can use Title IV can we journal back the salaries in Title IV, so we have the $ for Onramps?
- $850 per teacher, max of 3 sections, and it's 20 to 25 students per Rhetoric course with 2 sections of 50 total – 25 each or 3 sections of 20 students each for a total of 60 Onramps students. This doesn't impact other class periods a teacher teaches in their day beyond the Onramps sections.

Students

- There are 3626 students divided by 20 = 181 sections
- With a Max of 3 sections per teacher for Rhetoric means 60 students = 60 teachers
- 5 teachers per campus for seniors, some will be students that are supposed to be seniors or class of 2023 maybe.

Cost for not CCMR ready students…

- If we have 60 students per campus participate in Rhetoric, then we can afford to pay for all of the Rhetoric not CCMR ready rising Srs at 60 students per campus. 638
- 60 * 11 HSs eligible and = 660 students if we prioritize Eco Dis students then at $99. Per student for Rhetoric, it would be $65,340.
- If we provided this to 120 students per campus, then it would be 1320 students served at a cost of roughly $130,680 at the $99. Free and reduced cost.
- For the student cost and with about $190,000 in Title IV for OnRamps we could afford $59,320 in teacher costs so that would be the 10 teachers below not including MHS as they are paying out of Title I. And then the 10 teachers are $8500.
- This leaves $50,820 for the remaining teachers to get trained in Rhetoric so we could afford 60 more teachers to be trained or more students to be served.
- 60 teachers would fulfill the current need to serve all students then we need to find the money to pay for the remaining students.
- 2146 Eco Dis at $99 per student for Rhetoric would be $212,454
- 1480 students at $149. For Rhetoric would be $220,520
- $212,454 + $220,520 + 50,820 + $8500 = $492,294

How many rising seniors aren't CCMR?

Class of 2024 Non CCMR Ready by Special Population				
Campus	**Total C/O 24 Not CCMR Ready**	**SPED**	**ECO DIS**	**Current EL**

(079907001) - DULLES H S	317	48	198	51
(079907002) - WILLOWRIDGE H S	242	42	200	74
(079907004) - CLEMENTS H S	180	42	60	25
(079907005) - KEMPNER H S	330	35	224	92
(079907006) - LAWRENCE E ELKINS H S	306	52	138	38
(079907007) - STEPHEN F AUSTIN H S	244	30	129	42
(079907008) - HIGHTOWER H S	514	52	348	83
(079907011) - GEORGE BUSH H S	460	44	321	108
(079907012) - THURGOOD MARSHALL H S	233	40	191	24
(079907013) - WILLIAM B TRAVIS H S	417	58	190	52
(079907016) - RIDGE POINT H S	352	48	127	27
(079907038) - FERNDELL HENRY CENTER FOR LEARNING	31	8	20	4
Grand Total	3626	499	2146	620

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Data link -

- Jennifer Garrigan session for parents & students – can combine campuses open to all. Offer 3 or 4 sessions – June 14th and 21st.
- Use the spreadsheet of those who are not CCMR ready and add leading zero to share out in Blackboard that they are invited.
- Need invitation to fulfill the College Prep ELA requirements
- Dates that we need to decide by and how many teachers we can cover in paying for the training.
- Jennifer Garrigan session for Administrators, counselors, etc.

Chart of differences between AP, ECHS/PTECH, DC, and DE.

Onramps, CCMR, and College Prep ELA

2023 Virtual Summer Professional Learning Experience	Returning Instructors (18 total CPE hours)	New Instructors (60 total CPE hours)
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OnRamps Supplemental Pay Structure

The Recommendation is to provide supplemental pay to all OnRamps teachers in the amount of $2,000. The stipend is meant to offset the amount of time teachers will be in training in the summer as the initial training is 2 weeks, additionally, teachers will have training and mentoring to support them during the school year. Teachers of OnRamps are **NOT** required to have a master's degree.

Professional Development Requirements

Instructor	Summer PD	Year Long PD	Monthly Meetings	Total Hours
New instructor: $850.00	Asynchronous PD: 30 hours prior to the synchronous week in June or July Synchronous PD: 30 hours over a weeklong period	2 PD sessions throughout the year: 1 in the fall and 1 in the spring from 8 am to 3:30 pm	6 per year. 1.5 Total hours: 3 virtual 20-minute meetings in the fall and 3 virtual 20-minute meetings in the spring. Teachers select from a list of days and times that fits their schedules.	Total Hours: 80
Returning instructor $550.00	Asynchronous PD: 6 hours prior to the synchronous week in June or July Synchronous PD: 12 hours over a weeklong period			Total Hours: 40

Courses already initiated for 2023-24

Below you will find the courses that are being offered for the 23-24 school year, the campuses involved and the number of teachers and the professional development requirements for each teacher per year.

Course	Campuses Offering the Course	Sections per Campus
Algebra II/College Algebra: Students deepen their critical thinking skills and develop their ability to persist through challenges as they explore function families: Linear, Absolute Value, Quadratic, Polynomial, Radical, Rational, Exponential, and Logarithmic.	Elkins: 1 teacher	2
	Hightower: 1 teacher	2
	Dulles: 1 teacher	2
Physics: Mechanics, Heat, and Sound introduces big ideas in physics, such as Newtonian mechanics (including motion, force, energy, and rotation), as well as solid and fluid mechanics, oscillations, waves, sound, and heat.	Marshall: 1 teacher	4
	Dulles: 1 teacher	2
Precalculus: Students deepen and extend their knowledge of functions, graphs, and equations from their high school algebra and geometry courses so they can successfully work with the concepts in a rigorous university-level calculus course.	Elkins: 1 teacher	1
Statistics: Students develop the quantitative reasoning skills and habits of mind necessary to use data science and mathematical thinking effectively across multiple disciplines while learning the interactive applications and coding skills needed to meet the demands of higher education and the workplace.	Marshall: 1 teacher	3
US History: In these two sequential courses, students explore the scope and depth of the American experience, engaging with course material both independently and collaboratively to develop critical thinking skills, analyze evidence-based historical narratives, and conduct archival research. Each unit consists of primary and secondary sources that challenge students to uncover the complexities within historical study.	Clements: 1 teacher	3
	Dulles: 1 teacher	2
	Marshall: 1 teacher	6

Rhetoric: (English) This two-semester, six-credit writing intensive sequence features a fall semester course in argumentation, essential to leadership communications skills, and a spring semester course focused on analyzing and crafting sound and effective arguments among peers. Over the two courses, students are aligned to college expectations for critical writing, reading, research, and analysis.	Hightower: 2 teachers	4 sections (2 per teacher)
	Dulles: 1 teacher	2
	Marshall: 1 teacher	3

OnRamps for not CCMR ready Jrs to Srs.docx