

ORDER AUTHORIZING THE DEFEASANCE AND REDEMPTION OF
CERTAIN CURRENTLY OUTSTANDING OBLIGATIONS OF
BRAZORIA COUNTY, TEXAS; AUTHORIZING THE EXECUTION OF
AN ESCROW AGREEMENT; AND RESOLVING OTHER MATTERS
INCIDENT AND RELATED TO SUCH DEFEASANCE

THE STATE OF TEXAS §
COUNTY OF BRAZORIA §

WHEREAS, Brazoria County, Texas (the “County”) has heretofore issued certain tax bonds and certificates of obligation (collectively, the “County Obligations”), and the County Obligations listed on Exhibit A are subject to redemption prior to maturity, at the option of the County; and

WHEREAS, it is in the best interest of the County and its residents to defease and/or redeem all or a portion of such outstanding County Obligations as herein provided in order to terminate the payment of interest thereon and to reduce the County’s aggregate debt service requirements in the years subsequent to the redemption date; and

WHEREAS, in accordance with the provisions of Texas Government Code, Chapter 1207, as amended (the “Act”), the County is authorized and empowered to deposit funds and/or securities directly with the paying agent for the County Obligations or other authorized person or depository, and enter into an escrow or similar agreement with such person or place of payment for the safekeeping, investment, reinvestment, administration and disbursement of such deposit; and such deposit, when made in accordance with the Act, shall constitute the making of firm banking and financial arrangements for the discharge and full payment of the defeased obligations; and now, therefore,

BE IT ORDERED BY COMMISSIONERS COURT OF BRAZORIA COUNTY, TEXAS:

SECTION 1: Throughout this Order the following terms and expressions as used herein shall have the meanings set forth below:

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

“Business Day” means any day which is not a Saturday, Sunday, or a day on which the Escrow Agent is authorized by law or executive order to close.

“County” means Brazoria County, Texas.

“Designated Officer” means each of the County Judge, the County Clerk, the Deputy County Clerk, the County Auditor, the County Treasurer and any other appropriate officer or agent of the County designated as a Designated Officer by any of the foregoing.

“Escrow Agent” means U.S. Bank Trust Company, National Association or such other trust company or commercial bank identified in the Escrow Agreement, and its successors in such

capacity.

“Escrow Agreement” means the agreement between the County and the Escrow Agent relating to the escrow of funds to pay the County Obligations selected for redemption and defeasance.

“Order” as used herein means this order authorizing the redemption and defeasance of County Obligations.

“Report” means the report of the Verification Agent verifying the accuracy of certain mathematical computations relating to the County Obligations selected for redemption and defeasance.

“Verification Agent” shall mean Causey Demgen & Moore P.C. or such other firm engaged by the County to verify the accuracy of certain mathematical computations relating to the County Obligations selected for redemption and defeasance.

SECTION 2: All or a portion of the County Obligations stated to mature on March 1 in each of the years identified in the Escrow Agreement shall be defeased to their maturity or prior redemption date, as applicable, as set forth in this Section 2. Commissioners Court hereby authorizes and directs the County Judge or other Designated Officer to ultimately determine the principal amount of the County Obligations to be defeased and/or redeemed on the basis of the availability of funds for such purpose by the funding deadline. As directed by the County Judge or other Designated Officer, the County shall transfer on or before March 1, 2026, its lawfully available funds to U.S. Bank Trust Company, National Association, or such other qualified entity as determined by any such Designated Officer (the “Escrow Agent”), in an amount sufficient (when combined with investment earnings on such initial deposit) to pay all costs of interest due and owing on the defeased and/or redeemed obligations from the time of such deposit through their maturity or redemption, as applicable, plus the principal amount of the defeased and/or redeemed and owing at such time of maturity or redemption, as applicable. Upon the making of such deposit, such County Obligations will be determined to have been defeased and, as a result, discharged and no longer considered outstanding as a County Obligation in accordance with applicable Texas law.

SECTION 3: In the event the County Judge or other Designated Officer determines to defease the maturities of the County Obligations which are subject to redemption, the principal amount of such County Obligations shall be called for redemption and shall be redeemed on the applicable redemption date, at the price of par plus accrued interest to the date of redemption, and the County Judge or other Designated Officer is hereby authorized and directed to file a copy of this Order with U.S. Bank Trust Company, National Association, the paying agent/registrar for the County Obligations (the “Paying Agent/Registrar”), in accordance with the redemption provisions applicable to such obligations; such suggested form of notice of redemption being attached hereto as Exhibit B and incorporated herein by reference as a part of this Order for all purposes. Additionally, if necessary, the Paying Agent/Registrar is hereby authorized and directed to make a lot selection of the County Obligations to be redeemed and make arrangements to notify bondholders of such lot selection as soon as possible thereafter. The County Judge or other

Designated Officer is hereby authorized and directed to transfer lawfully available funds to the Escrow Agent to accomplish the defeasance and/or redemption of the defeased obligations in accordance with the terms of the Escrow Agreement. In the event the County Obligations are called for redemption, the County Judge or other Designated Officer is hereby authorized and directed to make all arrangements necessary to notify the holders thereof of the County's decision to redeem such obligations on the date and in the manner herein provided and in accordance with the order(s) authorizing the County Obligations.

SECTION 4: The County Judge, the County Clerk, the Deputy County Clerk, the County Auditor, the County Treasurer and any other appropriate officer or agent of the County (each of the foregoing, a "Designated Officer"), and Bond Counsel to the County, are authorized to evidence adoption of this Order and to do any and all things necessary or convenient to effect the defeasance and, if applicable, redemption described herein and otherwise give effect to the intent and purpose hereof, including the selection of an Escrow Agent and Verification Agent and the execution of the Escrow Agreement.

SECTION 5: The Board delegates to the County Judge or in his absence any other Designated Officer the authority to execute the Escrow Agreement with the Escrow Agent, and, based upon the advice of the County's financial advisors, Estrada Hinojosa & Co., deposit money sufficient to pay in full the defeased County Obligations at maturity or to the redemption date and/or deposit in trust authorized investments for escrow accounts pursuant to Section 1207.062, Texas Government Code (the "Escrowed Securities") and which have been certified by the Verification Agent to mature in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, to pay when due the defeased obligations at maturity or date of redemption; all of which shall be provided in the Escrow Agreement finalized and executed by any such Designated Officer.

SECTION 6: Furthermore, the County Judge and each other Designated Officer of the County in cooperation with the Escrow Agent are hereby authorized and directed to make the necessary arrangements for the purchase of the Escrowed Securities referenced in the Escrow Agreement, if any, and the delivery thereof to the Escrow Agent for deposit to the credit of an escrow fund for the defeased obligations (referred to herein as the "Escrow Fund") or such other designation as provided for in the Escrow Agreement; all as contemplated and provided in the Act, this Order and the Escrow Agreement.

SECTION 7: The Commissioners Court hereby authorizes the County Judge or in his absence any other Designated Officer to select Causey Demgen & Moore P.C. or another firm of independent certified public accountants (the "Verification Agent") to prepare a Report to verify the sufficiency of the deposit to the Escrow Fund to accomplish the defeasance of the defeased bonds, to the extent such appointment is necessary or desired and in the event of the establishment of a net defeasance escrow fund; provided, however, that in the event of a gross defeasance of the defeased bonds, the sufficiency of the deposit to the Escrow Fund to accomplish such defeasance shall be certified to the County by the County's Financial Advisor or another qualified financial institution.

SECTION 8: The recitals contained in the preamble hereof are hereby found to be true,

and such recitals are hereby made a part of this Order for all purposes and are adopted as a part of the judgement and findings of Commissioners Court.

SECTION 9: If any provision of this Order or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Order and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Order would have been enacted without such invalid provision.

SECTION 10: The Commissioners Court hereby approves and authorizes the defeasance, redemption, or final payment of all or a portion of the County Obligations, as selected by the County Judge or in his absence any other Designated Officer, by the deposit and investment of legally available funds of the County with the Escrow Agent. The County further authorizes and approves an Escrow Agreement for such purposes, subject to such insertions, additions and modifications as shall be approved by the County Judge or other Designated Officer (as conclusively evidenced by the execution and delivery thereof). The County Judge or other Designated Officer and the Escrow Agent are hereby authorized to subscribe for, agree to purchase and purchase Escrowed Securities in such amounts and maturities and bearing interest at such rates and as may be necessary for the defeasance of any such County Obligations, and to execute any and all subscriptions, purchase agreements, commitments, letters of authorization and other documents necessary to effectuate the foregoing, and any actions heretofore taken for any such purpose are hereby ratified and approved. The County hereby authorizes and directs that a notice of redemption and defeasance with regard to the defeased County Obligations shall be given in accordance with the orders authorizing the issuance of such County Obligations.

SECTION 11: To satisfy in a timely manner all of the County's obligations under this Order and the Escrow Agreement, each Designated Officer is hereby authorized and directed to take all other actions that are reasonably necessary to provide for the redemption and defeasance of the defeased County Obligations, including, without limitation, executing and delivering on behalf of the County all certificates, consents, receipts, requests, and other documents as may be reasonably necessary to satisfy the County's obligations under any such Escrow Agreement and this Order and to direct the application of funds of the County consistent with the provisions of this Order.

SECTION 12: 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 Texas Government Code, Chapter 551, as amended.

SECTION 13: This Order shall be in force and effect from and after its passage on the date shown below.

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PASSED AND ADOPTED, this _____, 202__.

County Judge
Brazoria County, Texas

ATTEST:

County Clerk
Brazoria County, Texas

(SEAL)

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EXHIBIT A

Defeasance Candidates

The following County Obligations are subject to redemption prior to maturity, at the option of the County, on March 1, 2026, or on any date thereafter:

Brazoria County Unlimited Tax Refunding Bonds, Series 2016

- 3/1/2027 maturity – \$1,070,000

Brazoria County Unlimited Tax Refunding Bonds, Series 2018

- 3/1/2027 maturity – \$520,000
- 3/1/2028 maturity – \$550,000

Brazoria County Certificates of Obligation, Series 2018

- 3/1/2027 maturity – \$390,000
- 3/1/2028 maturity – \$410,000
- 3/1/2029 maturity – \$430,000
- 3/1/2030 maturity – \$455,000
- 3/1/2031 maturity – \$475,000
- 3/1/2032 maturity – \$500,000
- 3/1/2033 maturity – \$525,000
- 3/1/2034 maturity – \$545,000
- 3/1/2035 maturity – \$570,000
- 3/1/2036 maturity – \$590,000
- 3/1/2037 maturity – \$615,000
- 3/1/2038 maturity – \$640,000

EXHIBIT B

NOTICE OF REDEMPTION
BRAZORIA COUNTY, TEXAS

[UNLIMITED TAX REFUNDING BONDS, SERIES 2016]
[UNLIMITED TAX REFUNDING BONDS, SERIES 2018]
[CERTIFICATES OF OBLIGATION, SERIES 2018]

NOTICE IS HEREBY GIVEN that [all of] [a portion of] the bonds and other obligations of the above series maturing on and after March 1, 2027, in each of the years 20__ through 20__ , and aggregating in the principal amount of \$_____, have been called for redemption on March 1, 2026 (the "Redemption Date"), at the redemption price of par and accrued interest to the date of redemption (the "Redemption Price"), such bonds being identified as follows:

[Description of the Bonds/Obligations]

[A LOT SELECTION has been made and your bond or other obligation has been selected for redemption.] The above described bonds or other obligations shall become due on the Redemption Date, and interest thereon shall cease to accrue from and after the Redemption Date and payment of the Redemption Price shall be paid to the registered owners of the Bonds only upon presentation and surrender thereof to U.S. Bank Trust Company, National Association, Houston, Texas, at its designated offices at the following addresses:

Express Delivery

Mail

By Hand

[Insert address information]

THIS NOTICE is issued and given pursuant to the terms and conditions prescribed for the redemption of said bonds and pursuant to orders of the Commissioners Court of Brazoria County, Texas.

U.S. Bank Trust Company, National
Association