

CERTIFICATE OF ORDER

STATE OF TEXAS
EL PASO COUNTY
HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT

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We the undersigned officers of the Board of Directors (the "Board") of HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT (the "District") hereby certify as follows:

The Board convened in regular session, open to the public, on Thursday, September 28, 2023 at 6:00 p.m., at its regular meeting place, inside the boundaries of the District, and the roll was called of the members of the Board, to-wit:

Gordon Jarvis	President
Dean Hulsey	Vice President
Florence Thomas	Treasurer
Mike Barton	Secretary
Vacant	Assistant Secretary

All member of the Board were present except the following: _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at such meeting: A written

**ORDER AUTHORIZING ISSUANCE OF \$1,645,000
HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT RANCHO DESIERTO BELLO
DEFINED AREA UNLIMITED TAX BONDS, SERIES 2023; A TRANSFER AND PAYING
AGENT/REGISTRAR AGREEMENT; AND OTHER MATTERS IN CONNECTION
THEREWITH**

was duly introduced for the consideration of the Board. It was then duly moved and seconded that such Order be adopted; and, after due discussion, the motion, carrying with it the adoption of said Order, prevailed and carried by the following vote:

AYES: 4 NOES: 0

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; such Order has been duly recorded in said Board's minutes of such meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of such meeting pertaining to the adoption of such Order; the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of such meeting, and that such Order would be introduced and considered for adoption at such meeting, and each of such officers and members consented, in advance, to the holding of such meeting for such purpose; that such meeting was open to the public as required by law; and that public notice of the time, place and purpose of such meeting was given as required by Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code, as amended.

SIGNED AND SEALED on this 28th day of September, 2023.



Secretary, Board of Director



President, Board of Directors



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SIGNED AND SEALED on this 28th day of September, 2023.

Secretary, Board of Director

President, Board of Directors

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DEFINED AREA UNLIMITED TAX BONDS, SERIES 2023; A TRANSFER AND PAYING
AGENT/REGISTRAR AGREEMENT; AND OTHER MATTERS IN CONNECTION
THEREWITH**

THE STATE OF TEXAS §
COUNTY OF EL PASO §

WHEREAS, HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT OF EL PASO COUNTY, TEXAS (herein referred to as the "District") has been organized, created, and established pursuant to Article XVI, Section 59 of the Constitution of the State of Texas as a municipal utility district operating pursuant to Chapters 49 and 54, Water Code, as amended; and

WHEREAS, the Rancho Desierto Bello Defined Area ("Defined Area") was established pursuant to Texas Water Code Section 54.801 through 54.812 and was confirmed by election held on November 6, 2018.

WHEREAS, the voters of the Defined Area at an election held for and within the Defined Area on November 6, 2018 authorized the issuance of bonds of the District [secured by property taxes on solely property within the Defined Area] in the maximum amount of \$7,500,000 (the "2018 Bond Election"); and

WHEREAS, the Governing Body of the District has determined that it is in the best interest of the District and Defined Area to issue its \$1,645,000 Horizon Regional Municipal Utility District Rancho Desierto Bello Defined Area Unlimited Tax Bonds, Series 2023 (the "Bonds") authorized at the 2018 Bond Election. Following issuance of the Bonds, the Defined Area will have \$5,855,000 in unissued Defined Area bonds remaining from the 2018 Bond Election. Now, Therefore

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT THAT:

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

"Act" means Chapters 49 and 54, Texas Water Code, as amended.

"Audit" means the audited financial statements of the District prepared by an independent auditor in accordance with the rules of the Texas Commission on Environmental Quality (the "TCEQ") in effect at such time.

"Blanket Issuer Letter of Representations" means the Blanket Issuer Letter of Representations between the District, the Registrar and DTC.

"Board" means the Board of Directors of the District.

"Bond" or "Bonds" means one (1) or more bonds of the issue of Horizon Regional Municipal Utility District Rancho Desierto Bello Defined Area Unlimited Tax Bonds, Series 2023, authorized in this Order, unless the context clearly indicates otherwise.

"Business Day" means any day which is not a Saturday, Sunday, or a day on which the Registrar is authorized by law or executive order to remain closed.

"Capital Projects Fund" means the fund referred to in this Order.

"Code" means the Internal Revenue Code of 1986, as amended.

"Debt Service Fund" means the fund confirmed in this Order.

"Defined Area" means Rancho Desierto Bello Defined Area.

"District" means Horizon Regional Municipal Utility District.

"DTC" means The Depository Trust Company of New York, New York, or any successor securities depository.

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

"Initial Bond" means the Initial Bond authorized by Section 4 of this Order.

"Initial Date" shall mean November 1, 2023.

"Initial Purchaser" means the initial purchaser of the Bonds identified in Section 23 of this Order.

"Interest Payment Date," when used in connection with any Bond, means February 1, 2024, and each February 1 and August 1 thereafter until maturity or prior redemption of such Bond.

"MSRB" means the Municipal Securities Rulemaking Board.

"NRMSIR" means each person whom the SEC or its staff has determined to be a nationally recognized municipal securities information repository within the meaning of the Rule from time to time.

"Paying Agent" means the Registrar.

"Policy" means the financial guaranty insurance policy provided by the Insurer relating to the Bonds.

"Record Date" means, for any Interest Payment Date, the fifteenth calendar day of the month next preceding each Interest Payment Date.

"Register" means the books of registration kept by the Registrar, in which are maintained the names and addresses of, and the principal amounts of the Bonds registered to, each Registered Owner.

"Registered Owner" means any person who shall be the registered owner of any outstanding Bond.

"Registrar" means UMB Bank, N.A., Houston, Texas, and its successors in that capacity.

"Order" as used herein and in the Bonds means this Order authorizing the Bonds.

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

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

"SID" means the Municipal Advisory Council of Texas or any successor designated by the State of Texas and determined by the SEC or its staff to be a state information depository within the meaning of the Rule from time to time.

2. Authorization. The Bonds shall be issued in fully registered form, without coupons, in the total aggregate amount of ONE MILLION SIX HUNDRED FORTY-FIVE THOUSAND AND 00/100 DOLLARS (\$1,645,000) to reimburse the Developer for a contribution to the construction of the Kenazo Lift Station No. 2, Kenazo Lift Station Gravity Wastewater Line and Force and Force Main and engineering and associated fees and to pay the costs of issuance, and certain non-construction costs and issuance costs of the Bonds, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Section 59 of Article XVI, Constitution of Texas, and the Act.

3. Designation, Date, and Interest Payment Dates. The Bonds shall be designated as the "HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT RANCHO DESIERTO BELLO DEFINED AREA UNLIMITED TAX BONDS, SERIES 2023," and shall be dated November 1, 2023. The Bonds shall bear interest at the rates set forth below from the later of November 1, 2023, or the most recent Interest Payment Date to which interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve 30-day months, interest is payable on February 1, 2024, and semiannually thereafter on each February 1 and August 1 until maturity or prior redemption.

4. Initial Bonds; Interest Rates; Maturities; Principal Amounts and Denominations. The Bonds shall be issued bearing the numbers, in the principal amounts, and bearing interest at the rates set forth in the following schedule, and may be transferred and exchanged as set out in this Order. The Bonds shall mature on February 1 in each of the years and in the amounts set out in such schedule. The Initial Bond shall be numbered IB-1 and all other Bonds shall be numbered in sequence beginning with R-1. Bonds delivered in transfer of or in exchange for other Bonds shall be numbered in order of their authentication by the Registrar, shall be in the denomination of \$5,000 or integral multiples thereof, and shall mature on the same date and bear interest at the same rate as the Bond or Bonds in lieu of which they are delivered.

<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>
\$30,000	February 1, 2025	6.00%
\$30,000	February 1, 2026	6.00%
\$35,000	February 1, 2027	6.00%
\$35,000	February 1, 2028	6.00%
\$35,000	February 1, 2029	6.00%
\$1,480,000 Term Bonds		
\$75,000	February 1, 2031	4.750%
\$120,000	February 1, 2034	5.000%
\$190,000	February 1, 2038	5.250%
\$160,000	February 1, 2041	5.375%
\$185,000	February 1, 2044	5.500%
\$750,000	February 1, 2053	5.500%

5. Optional and Mandatory Redemption. The District reserves the right, at its option, to redeem the Bonds prior to maturity on the dates and at the redemption prices set forth in the form of the Bonds in this Order.

Principal amounts may be redeemed only in integral multiples of \$5,000. If a Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Bond may be redeemed, but only in integral multiples of \$5,000. In selecting portions of Bonds for redemption, the Registrar shall treat each Bond as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000. The Registrar shall select the particular Bonds to be redeemed within any given maturity by lot or other random selection method. Upon surrender of any Bond for redemption in part, the Registrar, in accordance with this Order, shall authenticate and deliver in exchange therefor a Bond or Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

Notice of any redemption identifying the Bonds to be redeemed in whole or in part shall be given by the Registrar at least 30 days prior to the date fixed for redemption by sending written notice by first class mail to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the Register. Such notices shall state the redemption date, the redemption price, the place at which Bonds are to be surrendered for payment and, if less than all Bonds outstanding within any one (1) maturity are to be redeemed, the numbers of the Bonds or portions thereof to be redeemed. Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Registered Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Registrar for payment of the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest to the date fixed for redemption. When Bonds have been called for redemption in whole or in part and due provision has been made to redeem same as herein provided, the Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Registered Owners to collect interest which would otherwise accrue after the redemption date on any Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

6. Execution of Bonds; Seal. The Bonds shall be signed by the President or Vice President of the Board and countersigned by the Secretary or Assistant Secretary of the Board, by their manual, lithographed, or facsimile signatures, and the official seal of the District shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the District had been manually impressed upon each of the Bonds. If any officer of the District whose manual or facsimile signature shall appear on the Bonds shall cease to be such officer before the authentication of such Bonds or before the delivery of such Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

On the Closing Date, the Initial Bond, being a single bond representing the entire principal amount of the Bonds (the "Initial Bond"), payable in stated installments to the Initial Purchaser or its designee, executed by manual or facsimile signature of the President and Secretary of the Board, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, shall be delivered to the Initial Purchaser or its designee. Upon payment for the Initial Bond, the Registrar shall cancel the Initial Bond and deliver Bonds to DTC in accordance with Section 13.

7. Approval by Attorney General; Registration by Comptroller. The Bonds to be initially issued shall be delivered to the Attorney General of Texas for approval and shall be registered by the Comptroller of Public Accounts of the State of Texas. The manually executed registration certificate of the Comptroller of Public Accounts substantially in the form provided in this Order shall be attached or affixed to the Bonds to be initially issued.

8. Authentication. Except for the Initial Bond, which need not be authenticated by the Registrar, in the event Book-Entry-Only System is discontinued, only such Bonds which bear thereon a certificate of authentication, substantially in the form provided in this Order, manually executed by an authorized representative of the Registrar, shall be entitled to the benefits of this Order or shall be valid or obligatory for any purpose. Such duly executed certificate of authentication shall be conclusive evidence that the Bonds so authenticated were delivered by the Registrar hereunder.

9. Payment of Principal and Interest. The Registrar is hereby appointed as the paying agent for the Bonds. The principal of and interest on the Bonds are payable, without exchange or collection charges, in any coin or currency of the United States of America which, on the date of payment, is legal tender for the payment of debts due the United States of America. Principal is payable upon presentation and surrender of the Bonds as they respectively become due and payable, whether at maturity or by prior redemption, at the principal payment office of the Registrar in Houston, Texas. Interest is payable by check or draft dated as of the Interest Payment Date, mailed by the Registrar on each Interest Payment Date to the Registered Owner of record as of the Record Date, first class, postage prepaid, to the address of such Registered Owner as shown in the Register, or by such other customary banking arrangements as may be agreed upon by the Registrar and the Registered Owner, at the risk and expense of the Registered Owner. Any accrued interest payable at maturity on a Bond shall be paid upon presentation and surrender of such Bond at the principal payment office of the Registrar.

If the date for payment of the principal of or interest on any Bond is not a Business Day, then the date for such payment shall be the next succeeding Business Day with the same force and effect as if made on the date such payment was originally due.

10. Successor Registrars. The District covenants that at all times while any Bonds are outstanding it will provide a national or state banking institution, which shall be organized and doing business under the laws of the United States of America or of any State, authorized under such laws to exercise trust powers, and which shall be subject to supervision or examination by federal or state authority, to act as Registrar for the Bonds. The District reserves the right to change the Registrar for the Bonds on not less than 30 days written notice to the Registrar, so long as any such notice is effective not less than 60 days prior to the next succeeding principal or Interest Payment Date on the Bonds. Promptly upon the appointment of any successor Registrar, the previous Registrar shall deliver the Register or copies thereof to the new Registrar, and the new Registrar shall notify each Registered Owner, by United States mail, first class postage prepaid, of such change and of the address of the new Registrar. Each Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Section.

11. Special Record Date. If interest on any Bond is not paid on any Interest Payment Date and continues unpaid for 30 days thereafter, the Registrar shall establish a new record date for the payment of such interest, to be known as a Special Record Date. The Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the District. Such Special Record Date shall be 15 days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first class, postage prepaid, not later than five (5) days prior to the Special Record Date, to each affected Registered Owner of record as of the close of business on the day prior to the mailing of such notice.

12. Ownership; Unclaimed Principal and Interest. The District, the Registrar and any other person may treat the person in whose name any Bond is registered as the absolute Registered Owner of such Bond for the purpose of making and receiving payment of principal or interest on such Bond, and for all other purposes, whether or not such Bond is overdue, and neither the District nor the Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Registered Owner of any Bond in accordance with this Section shall be valid and effectual and shall discharge the liability of the District and the Registrar upon such Bond to the extent of the sums paid.

Amounts held by the Registrar which represent principal of and interest on the Bonds remaining unclaimed by the Registered Owner after the expiration of three (3) years from the date such amounts have become due and payable shall be reported and disposed of by the Registrar in accordance with the applicable provisions of Texas law including, to the extent applicable, Title 6 of the Texas Property Code, as amended.

13. Book-Entry Only System.

The Initial Bond shall be registered in the name of Cede & Co. Except as provided in Section 14 hereof, all other Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

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

The execution and delivery of the Blanket Issuer Letter of Representations is hereby approved with such changes as may be approved by the President of the Board, and the President of the Board is hereby authorized and directed to execute such Blanket Issuer Letter of Representations.

14. Successor Securities Depository; Transfer Outside Book-Entry Only System. In the event that the District in its sole discretion, determines that the beneficial owners of the Bonds be able to obtain certificated Bonds, or in the event DTC discontinues the services described herein, the District shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one (1) or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants, as identified by DTC, of the availability through DTC of Bonds and transfer one (1) or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts, as identified by DTC. In such event, the Bonds shall not longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Order.

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

16. Registration, Transfer, and Exchange. So long as any Bonds remain outstanding, the Registrar shall keep the Register at its principal payment office and, subject to such reasonable regulations as it may prescribe, the Registrar shall provide for the registration and transfer of Bonds in accordance with the terms of this Order.

Subject to the provisions of Section 13, entitled "Book-Entry-Only System," each Bond shall be transferable only upon the presentation and surrender thereof at the principal payment office of the Registrar, duly endorsed for transfer, or accompanied by an assignment duly executed by the Registered Owner or his authorized representative in form satisfactory to the Registrar. Upon due presentation of any Bond in proper form for transfer, the Registrar shall authenticate and deliver in exchange therefor, within three (3) Business Days after such presentation, a new Bond or Bonds, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Bond or Bonds so presented.

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

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

17. Mutilated, Lost, or Stolen Bonds. Subject to the provisions of Section 13, entitled "Book-Entry-Only System," upon the presentation and surrender to the Registrar of a mutilated Bond, the Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like maturity, interest rate, and principal amount, bearing a number not contemporaneously outstanding. If any Bond is lost, apparently destroyed, or wrongfully taken, the District, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall execute and the Registrar shall authenticate and deliver a replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding.

The District or the Registrar may require the Registered Owner of a mutilated Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and

expenses of the Registrar. The District or the Registrar may require the Registered Owner of a lost, apparently destroyed or wrongfully taken Bond, before any replacement Bond is issued, to:

furnish to the District and the Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Bond;

furnish such security or indemnity as may be required by the Registrar and the District to hold them harmless;

pay all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Registrar and any tax or other governmental charge that may be imposed; and

meet any other reasonable requirements of the District and the Registrar.

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

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

Each replacement Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Order to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

18. Cancellation of Bonds. Subject to the provisions of Section 13, entitled "Book-Entry-Only System," all Bonds paid in accordance with this Order, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of proper records regarding such payment. Upon request, the Registrar shall furnish the District with appropriate certificates of destruction of such Bonds.

19. Forms. The form of the Bonds, including the form of the Registrar's Authentication Certificate, the form of Assignment, and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas, which shall be attached or affixed to the Initial Bond shall be, respectively, substantially as follows, with such additions, deletions and variations as may be necessary or desirable and not prohibited by this Order, including any legend regarding bond insurance if such insurance is obtained by the purchaser:

Face of Bond.

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTY OF EL PASO

REGISTERED
NUMBER

REGISTERED
\$ _____

HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT
RANCHO DESIERTO BELLO DEFINED AREA
UNLIMITED TAX BOND
SERIES 2023

DATED: November 1, 2023

PRINCIPAL AMOUNT:

MATURITY DATE:
February 1

INTEREST RATE:

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

DOLLARS

Horizon Regional Municipal Utility District (herein the "District"), FOR VALUE RECEIVED hereby acknowledges itself indebted to and promises to pay to Cede & Co. (the "Holder"), or registered assigns, the principal sum of _____ DOLLARS on the STATED MATURITY specified above, upon presentation and surrender of this Bond at the corporate trust office of UMB Bank, N.A. in Houston, Texas (the "Paying Agent/Registrar"), in lawful money of the United States of America, without charge for Paying Agent/Registrar services, and to pay at the Interest Rate per annum identified above, computed on the basis of a 360-day year of twelve 30-day months, on February 1, 2024 and semi-annually thereafter on each February 1 and August 1 (each an "Interest Payment Date"), interest on the unpaid principal balance of this Bond from the later of the Initial Date hereof or the most recent Interest Payment Date to which interest has been paid or duly provided for until such principal is paid or duly provided for on or after such Stated Maturity or any earlier Redemption Date. Interest on this Bond shall be paid to the person in whose name this Bond (or one or more Predecessor Bonds, as defined in the hereinafter described Bond Order) is registered at the close of business on the Record Date for such Interest Payment Date, which date shall be the fifteenth calendar day of the month next preceding such Interest Payment Date. All such payments may be made by the Paying Agent/Registrar by check or draft dated as of the Interest Payment Date and mailed to the registered Holder or by such other manner as may be mutually acceptable to the Paying Agent/Registrar and registered Holder. The principal of this Bond is payable at the corporate trust office of the Paying Agent/Registrar upon presentation and surrender of this Bond.

If the specified date for any such payment shall be a Saturday, Sunday, or legal holiday or equivalent (other than a moratorium) for banking institutions generally in the city in which the

corporate trust office of the Paying Agent/Registrar is located, such payment may be made on the next succeeding date which is not one of the foregoing days without additional interest and with the same force and effect as if made on the specified date for such payment.

The obligation to pay the principal of and the interest on this Bond is solely and exclusively the obligation of the District until such time, if ever, as the District is abolished and this Bond is assumed as described below. No other entity, including El Paso County and the State of Texas, is obligated, directly, indirectly, contingently, or in any other manner, to pay the principal of or interest on this Bond from any source whatsoever.

THIS BOND is one of the series designated "Horizon Regional Municipal Utility District Rancho Desierto Bello Defined Area Unlimited Tax Bonds, Series 2023" (hereinafter sometimes called the "Bonds") issued in the aggregate principal amount of \$1,645,000 that pay interest on February 1 and August 1 of each year until maturity. The Bonds are issued to reimburse the Developer for a contribution to the construction of the Kenazo Lift Station No. 2, Kenazo Lift Station Gravity Wastewater Line and Force Main, and engineering and associated fees, and certain non-construction costs and issuance costs of the Bonds, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Section 59 of Article XVI, Constitution of Texas, and the Act., in accordance with the Engineer's Bond Application Report submitted to the Texas Commission on Environmental Quality, and such expenses as are incidental to the administration and financing of the District, which under applicable law may properly be paid from the proceeds of such Bonds, pursuant to the Bond Order passed and adopted by the Board of Directors of the District and duly recorded in the minutes of such Board of Directors (herein designated the "Bond Order"), under and in strict conformity with Article XVI, Section 59 of the Constitution of the State of Texas and the laws of the State of Texas, including particularly (but not by way of limitation) Chapters 49 and 54, Texas Water Code, as amended, and Chapters 1201 and 1204, Texas Government Code, as amended.

THE BONDS are issuable in the form of fully registered bonds without coupons in the denomination of \$5,000 in principal amount or any integral multiple thereof. As provided in the Bond Order and subject to certain limitations therein set forth, this Bond is transferable on the Bond Register of the District, upon surrender of this Bond for transfer at the corporate trust office of the Paying Agent/Registrar, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar, duly executed by the person in whose name this Bond is registered or his duly authorized attorney, and thereupon one or more new fully registered bonds of the same Stated Maturity, of authorized denominations, of a like aggregate principal amount, and bearing the same rate of interest will be issued to the designated transferee or transferees.

No service charge shall be made for any transfer or exchange hereinabove referred to, but the District or the Paying Agent/Registrar may require payment of a sum sufficient to cover any tax or governmental charge payable in connection therewith.

The District, the Paying Agent/Registrar, and any agent of either of them may treat the Holder as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, and neither the District, the Paying Agent/Registrar, nor any such agent shall be affected by notice to the contrary.

The Bonds, including the Term Bonds, with a Stated Maturity on or after February 1, 2031 may be redeemed at the option of the District, on notice mailed to the Holders thereof not less than 30 days prior to the Redemption Date as provided in the Bond Order, as a whole or from time to time in part in integral multiples of \$5,000 principal on August 1, 2029 or on any date thereafter, upon payment of the principal amount thereof together with interest, if any, accrued from the most recent Interest Payment Date to the Redemption Date.

IN ADDITION TO BEING SUBJECT TO OPTIONAL REDEMPTION, THE BONDS ISSUED AS TERM BONDS are subject to mandatory redemption prior to maturity in the following amounts (subject to reduction as hereinafter provided), on the following dates ("Mandatory Redemption Dates"), at a price equal to the principal amount redeemed plus accrued interest to each Mandatory Redemption Date, subject to the conditions set forth below:

\$75,000 Maturing on February 1, 2031

Mandatory Redemption Date	Principal Amount
February 1, 2030	\$35,000
February 1, 2031	\$40,000

\$120,000 Maturing on February 1, 2034

Mandatory Redemption Date	Principal Amount
February 1, 2032	\$40,000
February 1, 2033	\$40,000
February 1, 2034	\$40,000

\$190,000 Maturing on February 1, 2038

Mandatory Redemption Date	Principal Amount
February 1, 2035	\$45,000
February 1, 2036	\$45,000
February 1, 2037	\$50,000
February 1, 2038	\$50,000

\$160,000 Maturing on February 1, 2041

Mandatory Redemption Date	Principal Amount
February 1, 2039	\$50,000
February 1, 2040	\$55,000
February 1, 2041	\$55,000

\$185,000 Maturing on February 1, 2044

Mandatory Redemption Date	Principal Amount
February 1, 2042	\$60,000
February 1, 2043	\$60,000
February 1, 2044	\$65,000

\$750,000 Maturing on February 1, 2053

Mandatory Redemption Date	Principal Amount
February 1, 2045	\$70,000
February 1, 2046	\$70,000
February 1, 2047	\$75,000
February 1, 2048	\$80,000
February 1, 2049	\$85,000
February 1, 2050	\$85,000
February 1, 2051	\$90,000
February 1, 2052	\$95,000
February 1, 2053	\$100,000

The particular Term bonds to be mandatorily redeemed shall be selected by lot or other random selection method. The principal amount of the Term Bonds to be mandatorily redeemed on such Mandatory Redemption Date shall be reduced by the principal amount of such Term Bonds which, by the 45th day prior to such Mandatory Redemption Date, either has been purchased in the open market and delivered or tendered for cancellation on or on behalf of the Issuer to the Paying Agent/Registrar or optionally redeemed and which, in either case, has not previously been made the basis for a reduction under this sentence.

Neither the Paying Agent/Registrar nor the District is required to issue, transfer, or exchange any Bond during a period beginning at the opening of business on a Record Date and ending at the close of business on the next succeeding Interest Payment Date or to transfer or exchange any Bond selected for redemption, in whole or in part, where such redemption is scheduled to occur within 45 calendar days.

THIS BOND, and the other Bonds of the series of which it is a part, are payable from (i) the proceeds of a tax levied upon all taxable property within solely the Defined Area which is not legally limited as to rate or amount, and (ii) equally and ratably with such other obligations of the District payable from such sources as may be outstanding from time to time to the extent provided in the Bond Order. Reference is hereby made to the Bond Order for a description of the covenants by which the Bonds are secured, the respective rights thereunder of the Holders of such Bonds and the District, and the terms upon which such Bonds are, and are to be, authenticated and delivered. Notwithstanding any provision hereof, however, the obligation of the District to make money available to pay this Bond may be defeased by the deposit of money and/or certain debt obligations sufficient for such purpose and upon such deposit, this Bond shall be deemed paid and shall no longer be considered a Bond within the meaning of the Bond Order, all as provided in the Bond Order. Further, if all the territory within the Defined Area is annexed by one or more cities and all or any part of the debts, liabilities, and assets of the District, including this Bond, are assumed by such annexing city or cities, the sources of payment of this Bond may be modified under the laws of the State of Texas.

The Bond Order permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the District and the rights of the Holders of the Bonds under the Bond Order at any time by the District with the consent of the

Holders of a majority in aggregate principal amount of such Bonds at the time outstanding affected by such modification. Any such consent by the Holders of this Bond or any Predecessor Bond herefor evidencing the same debt shall be conclusive and binding upon such Holder and all future Holders of this Bond and of any Bond issued upon the transfer or in lieu hereof or in exchange herefor, whether or not notation of such consent is made upon this Bond.

IT IS HEREBY CERTIFIED AND REPRESENTED that the District is a duly organized and legally existing conservation and reclamation district under and by virtue of the Constitution and laws of the State of Texas; that all acts, conditions and things necessary to be done precedent to the issuance of this Bond, and the series of Bonds of which this Bond is a part, in order to render the same legal, valid and binding obligations of the District, have happened and have been accomplished and performed in regular and due time, form and manner, as required by law; that due provision has been made for the payment of the principal of and interest on this Bond, and the series of which it is a part, by the levy of a direct annual ad valorem tax upon all taxable property within solely the Defined Area sufficient for such purposes, as above recited; and that the series of Bonds of which this Bond is a part does not exceed any constitutional or statutory limitation. In case any provision in this Bond or any application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications thereof shall not in any way be affected or impaired thereby. This Bond shall be construed in accordance with and governed by the laws of the State of Texas and the United States of America.

Unless either the Registration Certificate of the Comptroller of Public Accounts of the State of Texas or the Certificate of Paying Agent/Registrar hereon has been executed by such Comptroller or his duly authorized agent or by the Paying Agent/Registrar, respectively, by manual signature, this Bond shall not be entitled to any benefit under the Bond Order or be valid or obligatory for any purpose.

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

HORIZON REGIONAL MUNICIPAL UTILITY
DISTRICT

President, Board of Directors

Secretary, Board of Directors

(SEAL)

ASSIGNMENT

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

Dated: _____

(Registered Owner(s))

NOTICE: Signature(s) on this assignment must correspond with the name(s) of the registered Holder(s) as shown on the face of the within Bond in every particular, without enlargement or change whatsoever.

SIGNATURE(S) GUARANTEED:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

The following abbreviations, when used in the inscription on the face of the within Bond or above Assignment, shall be construed as though they were written out in full according to applicable laws or regulations:

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

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

20. Legal Opinion; CUSIP; Bond Insurance. The approving opinions of Johnson Petrov LLP, Houston, Texas, as Bond Counsel, and Orrick, Herrington & Sutcliffe LLP, Houston, Texas, as Disclosure Counsel, and CUSIP numbers may be printed on the Bonds, but errors or omissions in the printing of such opinions or such numbers shall have no effect on the validity of the Bonds. If bond insurance is obtained by the purchaser, the Bonds may bear an appropriate legend as provided by the insurer.

21. Debt Service Fund; Tax Levy. The Defined Area Debt Service Fund is hereby confirmed and the proceeds from all taxes levied, assessed and collected for and on account of the Bonds authorized by this Order shall be deposited, as collected, in such Fund. While the Bonds or any part of the principal thereof or interest thereon remain outstanding and unpaid, there is hereby levied and there shall be annually assessed and collected in due time, form and manner, and at the same time as other District taxes are assessed, levied and collected, in each year, beginning with the current year, a continuing direct annual ad valorem tax, without legal limit as to rate, upon all taxable property solely in the Defined Area, sufficient to pay the interest on the Bonds as the same becomes due and to pay each installment of the principal of the Bonds as the same matures, full allowance being made for delinquencies and costs of collection, and said taxes are hereby irrevocably pledged to the payment of the interest on and principal of the Bonds and to no other purpose.

22. Further Proceedings. After the Bonds to be initially issued have been executed, it shall be the duty of the President and Secretary of the Board and other appropriate officials and agents of the District to deliver the Bonds to be initially issued and all pertinent records and proceedings to the Attorney General of Texas, for examination and approval. After the Bonds to be initially issued have been approved by the Attorney General, they shall be delivered to the Comptroller of Public Accounts of the State of Texas for registration. Upon registration of the Bonds to be initially issued, the Comptroller of Public Accounts (or the Comptroller's bond clerk or an assistant bond clerk lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate prescribed herein and the seal of said Comptroller shall be impressed, or placed in facsimile, thereon.

23. Sale; Proceeds. The sale and delivery of the Bonds to RBC Capital Markets, LLC (herein referred to as the "Initial Purchaser") at a price of \$1,595,650.00 plus accrued interest thereon to date of delivery, is hereby authorized, approved, ratified and confirmed, subject to the approving opinion as to the legality of the Bonds of the Attorney General of Texas, and of Johnson Petrov LLP, Houston, Texas, bond counsel, and the opinion of Orrick, Herrington & Sutcliffe LLP, Houston, Texas, as disclosure counsel. It is hereby found and declared that the Initial Purchaser's bid produced the lowest net effective interest rate for the Bonds after advertising for and receiving competitive sealed bids, and that the net effective interest rate resulting from such bid is 5.611562% which rate is less than the maximum rate permitted by law. To the extent required by the order of the Texas Commission on Environmental Quality (the "Commission") approving issuance of the Bonds, funds in the Capital Projects Fund shall be placed in escrow pursuant to an escrow agreement. Such funds in escrow and any surplus funds shall not be spent by the District except in accordance with the requirements of any applicable escrow agreement and the rules of the Commission.

The proceeds of the Bonds shall be deposited into the Capital Projects Fund and used for the purposes described in Section 2 above and to pay costs of issuance, all in accordance with the

order of the TCEQ approving the Bonds. Any proceeds remaining after completion of the projects and expenditures approved by the TCEQ, including earnings from the investment of bond proceeds, shall be used in accordance with the rules of the TCEQ for use of surplus bond proceeds. After the entire system described in this Order is constructed, any remainder shall be transferred to the Defined Area Debt Service Fund, in accordance with the applicable laws and regulations, including those of the TCEQ or its successor, in effect at such time.

24. Investments. Moneys deposited into the Defined Area Debt Service or Defined Area Capital Projects Funds and any other fund or funds that the District may lawfully create may be invested or reinvested in authorized investments. All investments and any profits realized from or interest accruing on such investments shall belong to the fund from which the moneys for such investments were taken; provided, however, that in the discretion of the Board of Directors the profits realized from and interest accruing on investments made from any fund may be transferred to the Debt Service Fund.

25. Defeasance and Refunding. The District reserves the right to defease or refund the Bonds in any manner provided by law.

26. Remedies in Event of Default. In addition to all of the rights and remedies provided by laws of the State of Texas, the District further covenants and agrees that in the event of default in payment of principal or interest on any of the Bonds when due, or, in the event it fails to make the payments required to be made into the Defined Area Debt Service Fund or any other fund or defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Order, the Registered Owners shall be entitled to a writ of mandamus issued by a court of competent jurisdiction compelling and requiring the District and the officials thereof to observe and perform the covenants, obligations or conditions prescribed in this Order. Any delay or omission to exercise any right or power occurring upon any default shall not impair any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

27. Qualified Tax-Exempt Obligations. The District has not designated the Bonds as "qualified tax-exempt obligations" for purposes of section 265(b) of the Internal Revenue Code of 1986, as amended.

28. Official Statement. The District ratifies and confirms its prior approval of the form and content of the Preliminary Official Statement prepared in the initial offering of the Bonds and hereby authorizes and approves the amendment of the Preliminary Official Statement to add the terms of the Initial Purchaser's bid and to make any other changes necessary to comply with the provisions of this Order and existing law. The use of such final Official Statement in the reoffering of the Bonds by the Initial Purchaser is hereby approved and authorized. The proper officials of the District are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

29. Reporting Requirements for Insurer. The Issuer shall furnish to the Insurer:

Within sixty (60) days of being made available to, and accepted by, the Issuer, a copy of any financial statement of the Issuer and a copy of any audit or financial report of the Issuer;

A copy of any notice or report:

required to be given to the Registered Owners of the Bonds, including, without limitation, notice of any redemption of or defeasance of the Bonds and any certificate rendered pursuant to this Order relating to the security for the Bonds; and

required to be given pursuant to United States Securities and Exchange Commission Rule 15c2-12 (the "Rule") to any nationally recognized municipal securities information repository, any person designated by the State of Texas of any authorized department, officer or agency thereof as, and determined by the United States Securities and Exchange Commission (the "SEC") or its staff to be, a state information depository within the meaning of the Rule, or the Municipal Securities Rule Making Board.

Such additional information as the Insurer may reasonably request.

30. Modification of Documents; Consent Requirements.

No provision of this Order, and no provision of any other document delivered in connection with the issuance of the Bonds, shall be amended or modified in any manner without the prior written consent of the Insurer.

31. Continuing Disclosure Undertaking.

Annual Reports. The District shall provide annually to the Municipal Securities Rule Making Board ("MSRB") via the Electronic Municipal Market Access ("EMMA") system, within six (6) months after the end of each fiscal year of the District ending in or after 2023, Annual Financial Information and Operating Data with respect to the District. Any financial statements so provided shall be (1) prepared in accordance with the Accounting Principles described in this Order and (2) audited, if the District commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the District shall provide unaudited financial statements for the applicable fiscal year to the MSRB via EMMA within such six (6) month period, and audited financial statements, when the audit report on such statements becomes available.

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

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one (1) or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB or filed with the SEC.

32. Material Event Notices. The District shall notify the MSRB's EMMA system, in a timely manner, and not more than ten (10) business days, of any of the following events with respect to the Bonds:

Principal and interest payment delinquencies;

Non-payment related defaults;

Unscheduled draws on debt service reserves reflecting financial difficulties;

Unscheduled draws on credit enhancements reflecting financial difficulties;

Substitution of credit or liquidity providers, or their failure to perform;

Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax-exempt status of the Bonds, or other material events affecting the tax-exempt status of the Bonds;

Modifications to rights of holders of the Bonds, if material;

Bond calls, if material, and tender offers;

Defeasances;

Release, substitution, or sale of property securing repayment of the Bonds;

Rating changes;

Bankruptcy, insolvency, receivership, or similar event of the Issuer, which shall occur as described below;

The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

Appointment of a successor or additional trustee or the change of name of a trustee, if material.

The District shall also notify the MSRB's EMMA system, in a timely manner, of any failure by the District to provide financial information or operating data in accordance with Subsection A of this Section by the time required by such Section.

33. Limitations, Disclaimers, and Amendments. The District shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the District remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the District in any event will give the notice required by paragraph (b) of this Section of any Bond calls and defeasance that cause the District to be no longer such an "obligated person."

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

UNDER NO CIRCUMSTANCES SHALL THE DISTRICT BE LIABLE TO THE REGISTERED OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE DISTRICT, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

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

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

The provisions of this Section may be amended by the District from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the District, but only if the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the original primary offering of the Bonds in compliance with the Rule, taking into account any amendments and interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and either the Registered Owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Order that authorizes such an amendment) of the outstanding Bonds consent to such amendment or a Person that is unaffiliated with the District (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Registered Owners and beneficial owners of the Bonds. If the District so amends the provisions of this Section, it shall include

with any amended financial information or operating data next provided in accordance with paragraph (a) of this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided. The District may also repeal or amend the provisions of this Section if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but in either case only if and to the extent that its right to do so would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

34. Related Matters. To satisfy in a timely manner all of the District's obligations under this Order, the President and Secretary of the Board of Directors of the District and all other appropriate officers and agents of the District are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms and purposes of this Order.

35. Registrar. The form of agreement setting forth the duties of the Registrar is hereby approved, and the appropriate officials of the District are hereby authorized to execute such agreement for and on behalf of the District.

36. No Personal Liability. No recourse shall be had for payment of the principal of or interest on any Bonds or for any claim based thereon, or on this Order, against any official or employee of the District or any person executing any Bonds.

37. District's Successors and Assigns. Whenever in this Order the District is named and referred to it shall be deemed to include its successors and assigns, and all covenants and agreements in this Order by or on behalf of the District, except as otherwise provided herein, shall bind and inure to the benefit of its successors and assigns whether or not so expressed.

38. Benefits of Order Provisions. Nothing in this Order or in the Bonds, expressed or implied, shall give or be construed to give any person, firm or corporation, other than the District, the Registrar and the Registered Owners, any legal or equitable right or claim under or in respect of this Order, or under any covenant, condition or provision herein contained, all the covenants, conditions and provisions contained in this Order or in the Bonds being for the sole benefit of the District, the Registrar and the Registered Owners.

39. Application of Chapter 1208, Government Code. Chapter 1208, Government Code, applies to the issuance of the Bonds and the pledge of the taxes granted by the District under Section 10 of this Ordinance, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the taxes granted by the District under Section 10 of this Ordinance is to be subject to the filing requirements of Chapter 10, Business & Commerce Code, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the District agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 10, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

40. Severability Clause. If any word, phrase, clause, sentence, paragraph, Section or other part of this Order, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of

this Order and the application of such word, phrase, clause, sentence, paragraph, Section or other part of this Order to any other persons or circumstances shall not be affected thereby.

41. Open Meeting. It is hereby officially found and determined that the meeting at which this Order was adopted was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code.

PASSED AND APPROVED on this 28th day of September, 2023.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

(SEAL)

