

THE STATE OF TEXAS §
COUNTY OF HARRIS §
HARRIS COUNTY-HOUSTON SPORTS AUTHORITY §

1. The Board convened at a meeting (the “Meeting”), open to the public, on October 7, 2020, and the roll was called of the members of the Board, to-wit:

All members of the Board were present, except the following: _____, thus constituting a quorum. Whereupon among other business, the following transaction was considered and approved at such Meeting: A written:

51164595.4

Statement; Ratifying and Confirming the Purchase of Bond Insurance Policies, Surety Policies, and a Reimbursement and Indemnity Agreement; Ratifying and Confirming the Purchase of Certain Tendered Bonds, an Offer to Tender, a Tender Agent Agreement, and Other Matters Relating Thereto

(the “Resolution”) was duly introduced for the consideration of the Board. It was then duly moved and seconded that such Resolution be adopted; and, after due discussion, such motion, carrying with it the adoption of such Resolution, prevailed and carried by the following votes:

AYES: _____ NOES: _____

2. A true, full, and correct copy of the aforesaid Resolution adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; such Resolution has been duly recorded in the 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 Resolution; 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 fully and sufficiently notified officially and personally, in advance, of the time, place, and purpose of such Meeting, and that such Resolution would be introduced and considered for adoption at such Meeting and each such officers and members consented, in advance, to the holding of such Meeting for such purpose; and such Meeting was open to the public, and public notice of the time, place, and purpose of such Meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

SIGNED this _____.

Secretary, Board of Directors

RESOLUTION NO. 2020-__

Resolution Affirming and Authorizing the Issuance, Sale, and Delivery of The Harris County-Houston Sports Authority Senior Lien Revenue Refunding Bonds, Series 2020A, Taxable Senior Lien Revenue Refunding Bonds, Series 2020B, and Taxable Second Lien Revenue Refunding Bonds, Series 2020C; Ratifying and Affirming the Refunding of Certain Refunding Obligations, including the Refunding of Bonds and Certain Interest Payments; Affirming and Ratifying the Action of Designated Officers of the Issuer to Approve Certain Terms Thereof and Other Procedures Regarding Such Bonds and the Refunding of Such Refunded Obligations, and Matters Incident Thereto; Affirming and Ratifying the Execution of a Twenty-Eighth Supplemental Indenture of Trust, a Twenty-Ninth Supplemental Indenture of Trust, a Thirtieth Supplemental Indenture of Trust, and a Thirty-First Supplemental Indenture of Trust; Ratifying Approval of a Bond Purchase Agreement; Ratifying the Approval of the Official Statement; Ratifying and Confirming the Purchase of Bond Insurance Policies, Surety Policies, and a Reimbursement and Indemnity Agreement; Ratifying and Confirming the Purchase of Certain Tendered Bonds, an Offer to Tender, a Tender Agent Agreement, and Other Matters Relating Thereto

RECITALS

1. The Harris County-Houston Sports Authority (the “*Issuer*”) was created by concurrent order of the Commissioners Court of the County adopted, July 29, 1997 and the City Council of the City of Houston, adopted July 30, 1997.

2. The Authority has previously entered into a Fourth Amended and Restated Indenture of Trust, originally dated August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014, and as further amended and supplemented (the “*Indenture*”), between the Authority and UMB Bank, National Association (the “*Trustee*”), and the Authority now wishes to confirm and ratify a Twenty-Eighth Supplemental Indenture of Trust (the “*Twenty-Eighth Supplemental Indenture*”), a Twenty-Ninth Supplemental Indenture of Trust (the “*Twenty-Ninth Supplemental Indenture*”), a Thirtieth Supplemental Indenture of Trust (the “*Thirtieth Supplemental Indenture*”) and a Thirty-First Supplemental Indenture of Trust (the “*Thirty-First Supplemental Indenture*” and together with the Twenty-Eighth Supplemental Indenture, the Twenty-Ninth Supplemental Indenture, and the Thirtieth Supplemental Indenture, the “*Supplemental Indentures*”).

3. The Authority has previously issued bonds (the “*Venue Project Bonds*”) and obligations to finance three Approved Venue Projects, Minute Maid Park at Union Station, NRG Stadium, and Toyota Center, or to refinance such bonds and obligations.

4. The currently outstanding Venue Project Bonds include the Authority’s Senior Lien Revenue Bonds, Series 2001A; Senior Lien Revenue Bonds, Series 2001G; Junior Lien Revenue Bonds, Series 2001H; Third Lien Revenue Refunding Bonds, Series 2004A; Senior Lien Revenue Refunding Bonds, Series 2014A; and Second Lien Revenue Refunding Bonds,

Series 2014C (collectively, the “*Outstanding Obligations*”), which are special limited obligations of the Authority.

5. The Issuer desires to issue its Senior Lien Revenue Refunding Bonds, Series 2020A (the “*Series 2020A Bonds*”), Taxable Senior Lien Revenue Refunding Bonds, Series 2020B (the “*Series 2020B Bonds*”), and Taxable Second Lien Revenue Refunding Bonds, Series 2020C (the “*Series 2020C Bonds*” and, together with the Series 2020A Bonds and the Series 2020B Bonds, the “*Bonds*”) to pay, refund and discharge a portion of the Outstanding Obligations (the “*Refunded Bonds*”) and to provide payment for certain payments of interest on certain of its Outstanding Bonds (the “*Refunded Interest*” and together with the Refunded Bonds, the “*Refunded Obligations*”).

6. The Issuer desires to issue the Bonds, refund the Refunded Obligations, and approve certain amendments to the Indenture pursuant to the terms of the Thirty-First Supplemental Indenture in order to restructure its debt service in order to improve its capacity to continue its timely payment of debt service on its Outstanding Obligations during a period of decreased revenues pledged to the payment thereon as a result of the economic downturn that has resulted from the Covid-19 pandemic.

7. Chapter 1207, Texas Government Code, authorizes the Issuer to issue refunding bonds to refund all or any part of the Issuer’s outstanding bonds or other obligations, and the Issuer had previously authorized issuance of the Bonds and other actions by adoption of its *Resolution authorizing the issuance, sale, and delivery of the Harris County-Houston Sports Authority Senior Lien Revenue Refunding Bonds, Series 2020A, Taxable Senior Lien Revenue Refunding Bonds, Series 2020B, and Taxable Second Lien Revenue Refunding Bonds, Series 2020C; authorizing designated officers of the Authority to approve certain terms thereof and other procedures regarding such bonds and matters incident thereto; approving the form and substance and authorizing the execution of a Twenty-Eighth Supplemental Indenture of Trust, a Twenty-Ninth Supplemental Indenture of Trust, a Thirtieth Supplemental Indenture of Trust, and a Thirty-First Supplemental Indenture of Trust; authorizing the purchase through an offer to tender, defeasance, and redemption, as applicable, and payment of certain of the Authority’s outstanding Senior Lien Revenue Refunding Bonds, Series 2001A, Junior Lien Revenue Bonds, Series 2001H, Senior Lien Revenue Refunding Bonds, Series 2014A, and Second Lien Revenue Refunding Bonds, Series 2014C; approving an offer to tender, a tender agent agreement, and a dealer manager agreement; approving a Bond Purchase Agreement; approving a Preliminary Official Statement, and authorizing a Final Official Statement; approving one or more escrow agreements; approving the purchase of bond insurance and a reimbursement and indemnity agreement with the bond insurer and amendments to existing credit agreements; approving a Reserve Fund Surety Policy or policies; affirming the imposition of a hotel occupancy tax and short-term motor vehicle rental tax; appointing or confirming a Bond Trustee; waiving sovereign immunity; authorizing and ratifying other actions of the Authority; making certain findings and containing other provisions relating to the subject* (the “*Prior Resolution*”) on August 27, 2020.

8. The Issuer desires to ratify and confirm all actions taken to effect the purposes of the Prior Resolution.

9. The Series 2020A Bonds shall be issued as Current Interest Bonds in the aggregate principal amount of \$52,035,000. The Series 2020B Bonds shall be issued as Current Interest Bonds in the aggregate principal amount of \$34,265,000. The Series 2020C Bonds shall be issued as Current Interest Bonds in the aggregate principal amount of \$25,865,000.

10. To effectuate the final payment and discharge of a portion of the Refunded Obligations, the Authority has determined to enter into an escrow agreement for each of the Series 2020B Bonds and the Series 2020C Bonds (together, the “*Escrow Agreements*”) with UMB Bank, National Association (the “*Escrow Agent*”), as escrow agent, relating to the deposit and investment of sufficient proceeds of the Series 2020B Bonds and Series 2020C Bonds for such payment and discharge.

11. To effectuate the issuance, sale, and delivery of the Bonds, the Issuer has entered into a bond purchase agreement (the “*Bond Purchase Agreement*”) with Wells Fargo Securities, as a representative of the group of underwriters identified in the Bond Purchase Agreement (the “*Underwriters*”), relating to and setting forth certain terms and conditions upon which the Underwriters will purchase the Bonds from the Issuer and the Issuer will sell the Bonds to the Underwriters.

12. It has been determined that it is in the best interest of the Issuer to enter into a Reimbursement and Indemnity Agreement (the “*Reimbursement Agreement*”) with Assured Guaranty Municipal Corporation (“*Assured*”) in order to (i) purchase a municipal bond insurance policy for each series of the Bonds to guarantee the payment of principal of and interest on the Bonds (the “*Municipal Bond Insurance Policies*”); and (ii) to obtain a debt service reserve surety policy for each of the Series 2020A Bonds and the Series 2020B Bonds (the “*Surety Policies*”).

13. Pursuant to the provisions of chapter 1371, Texas Government Code, the Issuer authorized its chair (the “*Designated Officer*”) to act on behalf of the Issuer in selling and delivering the Bonds, and approving other terms and procedures relating to the Bonds and the Indenture, the Supplemental Indentures, the Escrow Agreements, the Bond Purchase Agreement, the Reimbursement Agreement, and the Terms Certificate (the “*Terms Certificate*”) executed by the Designated Officer.

14. The refunding will not produce a savings in debt service to the Issuer, and is expected to produce a loss. The Issuer has determined that it is in the best interest of the Issuer to issue the Bonds to restructure a portion of its outstanding debt service pursuant to Section 1207 of the Texas Government Code for the refunding of the Refunded Obligations, notwithstanding the fact that the aggregate amount of the payments to be made with respect to the Bonds is expected to exceed the aggregate amount of payments that would have been made under the terms of the Outstanding Bonds for the Refunded Obligations. The refunding will benefit the Issuer by restructuring debt service payments. The maximum amount by which the aggregate amount of payments to be made under the Series 2020 Bonds exceeds the aggregate amount of payments that would have been made under the terms of the Refunded Obligations is \$133,112,383.57.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE HARRIS COUNTY-HOUSTON SPORTS ISSUER THAT:

ARTICLE I
THE BONDS

Section 1.1. Findings and Determinations. The Issuer hereby finds and declares that:

- (a) the recitals contained in this Resolution are true and correct;
- (b) the actions, documents, instruments, and other matters herein authorized and approved by the Issuer are carried out pursuant to the Constitution and the laws of the State of Texas, including the Act and Chapters 1207 and 1371 of the Texas Government Code;
- (c) the purchase of the Municipal Bond Insurance Policies, the Surety Policies, and the approval of the Reimbursement Agreement are in the best interest of the Issued;
- (d) the refunding of the Refunded Bonds and the Refunded Interest, and the approval of certain amendments to the Indenture pursuant to the terms of the Thirty-First Supplemental Indenture, are in the best interests of the Issuer in order to restructure its debt service to improve the Issuer's capacity to continue its timely payment of debt service on its Outstanding Obligations during a period of decreased revenues pledged to the payment thereon as a result of the economic downturn that has resulted from the Covid-19 pandemic; and
- (e) the maximum amount by which the aggregate amount of payments to be made under the Series 2020 Bonds exceeds the aggregate amount of payments that would have been made under the terms of the Refunded Obligations is \$133,112,383.57.

Section 1.2. Use of Capitalized Terms and Ratification and Confirmation of the Terms Certificate, the Supplemental Indentures, and All Other Actions Taken to Effect the Purposes of the Prior Resolution and this Resolution

- (a) Capitalized terms used in this Resolution not otherwise defined herein shall have the meanings given such terms in the Prior Resolution and in the Indenture and in the Supplemental Indentures.
- (b) The form and substance of the (i) Terms Certificate, as presented to the Issuer on this date and attached hereto as **Exhibit A**, and (ii) the Supplemental Indentures, including the Thirty-First Supplemental Indenture, as presented to the Issuer on this date and as attached hereto as **Exhibit B**, are each hereby confirmed and ratified, and all actions of the officers and representatives of the Issuer taken thereunder are hereby ratified and confirmed.
- (c) The adoption of the Prior Resolution, and all actions taken by the Issuer and its authorized representatives, employees, agents, and consultants thereunder to accomplish any of the contemplated actions therein are hereby authorized, affirmed and ratified.

(d) All actions taken by the Issuer and its authorized representatives, employees, agents, and consultants under this Resolution to accomplish any of the contemplated actions herein are hereby authorized, ratified, and confirmed.

Section 1.4. Approval, Execution, and Delivery of the Bond Purchase Agreement. The sale of the Bonds to the Underwriters is hereby ratified and confirmed, and the execution and delivery of the Bond Purchase Agreement to the Underwriters in substantially the form attached hereto as **Exhibit C**, is hereby authorized, ratified, and confirmed.

Section 1.5. Approval, Execution, and Delivery of the Escrow Agreements. The execution and delivery of the Escrow Agreements in substantially the forms presented to the Board on the this date and attached hereto as **Exhibit D** are hereby authorized, ratified, and confirmed.

Section 1.6. Approval, Execution, Use, and Distribution of the Official Statement. The use of the Preliminary Official Statement and final Official Statement in the offering of the Bonds is hereby approved, ratified, confirmed, and authorized; and the preparation and distribution by the Underwriters such Official Statements (collectively, the “Official Statement”) in substantially the forms presented to the Issuer on this date and as attached hereto as **Exhibit E** is hereby approved and confirmed; that the authorization of the officers of the Issuer to execute the Official Statement is hereby authorized, confirmed, and ratified; and that the use and distribution of the Official Statement by the Underwriters is hereby authorized, confirmed, and ratified.

Section 1.7. Approval of Purchase of Municipal Bond Insurance Policies, Surety Policies and Reimbursement Agreement.

(a) The actions of the Issuer and its consultants in seeking bond insurance in order to obtain the lowest attainable interest rate on the Bonds are hereby authorized, ratified, and confirmed and that the purchase of the Municipal Bond Insurance Policies issued by Assured for the Bonds is hereby authorized, approved, and confirmed.

(b) The actions of the Issuer and its consultants in seeking debt service reserve surety policies in order to obtain the lowest attainable interest rate on the Series 2020B Bonds and Series 2020C Bonds are hereby authorized, ratified, and confirmed and that the purchase of the Surety Policies issued by Assured for the Series 2020B Bonds and Series 2020C Bonds is hereby authorized, approved, and confirmed.

(c) The Reimbursement Agreement relating to the Municipal Bond Insurance Policies and Surety Policies for the Bonds is hereby authorized, ratified, and confirmed, and the authorization of officers of the Issuer to execute and attest to the Reimbursement Agreement and to deliver the Reimbursement Agreement in substantially the form presented to the Board on the this date and as attached hereto as **Exhibit F** is hereby authorized, ratified, and confirmed.

Section 1.8. Distribution of Amounts from Bond Proceeds. Any two of the Chair, the Vice Chair, and Secretary are hereby authorized to execute a requisition certificate at closing for the Bonds to pay Costs of Issuance (as defined in the Indenture), and distribution of proceeds of

the Bonds substantially in accordance with the schedule for distribution as set forth in the Twenty-Eighth Supplemental Indenture, Twenty-Ninth Supplemental Indenture, and Thirtieth Supplemental Indenture is hereby approved, ratified, and confirmed.

Section 1.9. Attorney General Fee. That the payment from available funds of the Issuer of the \$28,500 fee payable to the Issuer General of Texas for review and approval of the Bonds is authorized, ratified, and confirmed.

ARTICLE II REFUNDED OBLIGATIONS

Section 2.1. Approval of Defeasance of Refunded Bonds. The refunding of the Refunded Obligations as described in Exhibit “A” of the Terms Certificate, which is attached hereto as **Exhibit A**, including the refunding of certain payments of interest on certain Outstanding Obligations, and the discharge and final payment of certain of the Refunded Obligations by the deposit and investment of sufficient proceeds of the Bonds for such purpose pursuant to the Twenty-Eighth Supplemental Indenture, Twenty-Ninth Supplemental Indenture, Thirtieth Supplemental Indenture, and the Escrow Agreements, all under and in accordance with the Act and Chapters 1207 and 1371, Texas Government Code, is hereby authorized, ratified, and confirmed.

Section 2.2. Verification Report. The preparation and delivery of a Verification Report by Samuel Klein and Company, independent certified public accountants, in conjunction with Public Finance Partners LLC (together, the “*Verification Agent*”) certifying the mathematical accuracy of the deposits made by the Issuer pursuant to the Twenty-Ninth Supplemental Indenture, the Thirtieth Supplemental Indenture, and the Escrow Agreements and the for discharge and final payment of certain of the Refunded Obligations is hereby authorized, approved, confirmed, and ratified.

Section 2.3. Approval of Deposit and Transfer of Funds into Certain Debt Service Accounts. The deposit of Bond proceeds into certain Interest Subaccount and Principal Subaccounts under the Indenture and the transfer of funds from certain Interest Subaccounts into certain Principal Subaccounts, as further described in the Twenty-Eighth and Twenty-Ninth Supplemental Indentures is hereby authorized, approved, confirmed, and ratified.

Section 2.4. Approval and Confirmation of Purchase of Tendered Bonds and of the Tender Documents. All actions taken by the Issuer, its officers, employees, agents related to the Issuer’s invitation to bondholder to tender certain of the Issuer’s Outstanding Obligations (the “*Invitation to Tender*”), and all actions to select and purchase certain of such tendered Outstanding Obligations (the “*Series 2020A Refunded Bonds*”) and as further provided for in the Twenty-Eighth Supplemental Indenture, are hereby authorized, approved, and confirmed. The approval and the execution of the Tender Documents in the form and substance attached hereto as **Exhibit G** is hereby authorized, confirmed, and ratified.

ARTICLE III
MISCELLANEOUS PROVISIONS

Section 3.1. Ratifying Other Actions. All other actions taken by the Board of Directors, of the Issuer, the Chair or Vice Chair of the Issuer and the other Issuer officers, employees, agents, and consultants in connection with this Resolution, the Prior Resolution, and issuance of the Bonds are hereby ratified and confirmed.

Section 3.2. Execution and Delivery of Other Documents. The officers of the Issuer are each hereby authorized to execute, attest and impress the Issuer's seal, if such seal is required, to such other agreements, advance commitment agreements, assignments, bonds, certificates, contracts, documents, licenses, instruments, releases, financing statements, letters of instruction, notices of acceptance, notices of final payment, written requests and other documents, and to take all actions and to do all things whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of the Prior Resolution, this Resolution, the Bonds, the Supplemental Indentures, the Escrow Agreements, the Bond Purchase Agreement, the Reimbursement Agreement, the Preliminary Official Statement, the Official Statement, and the Tender Documents.

Section 3.3. Power to Revise Form of Documents. Notwithstanding any other provision of this Resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions, additions, deletions and variations in the form of the documents attached hereto as exhibits as, in the judgment of the Chair, Vice Chair, Secretary, or Chair of the Finance Committee of the Issuer, and in the opinion of Co-Bond Counsel to the Issuer, as may be necessary or convenient to carry out or assist in carrying out the purposes of the Prior Resolution, this Resolution, the Supplemental Indentures, the Escrow Agreements, the Bond Purchase Agreement, the Reimbursement Agreement, the Preliminary Official Statement, the final Official Statement, and the Tender Documents, or as may be required by the Attorney General of Texas for approval of the Bonds.

Section 3.4. Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

Section 3.5. Open Meeting. It is hereby found, determined, and declared that a sufficient written notice of the date, hour, teleconference number, and subject of the meeting of the Board of Directors of the Issuer at which this Resolution was adopted was posted as required by the Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting was accessible to the public as required by law at all times during which this Resolution and the subject matter thereof has been discussed, considered and formally acted upon. The Board of Directors further ratifies, approves and confirms such notice and the contents and posting thereof.

Section 3.6. Repealer. All prior resolutions, including the Prior Resolution, of the Board of Directors of the Issuer, or parts thereof inconsistent with the terms of the Resolution, are hereby repealed to the extent of such inconsistency.

ADOPTED, PASSED, AND APPROVED, this 7th day of October, 2020.

Chair
Harris County-Houston Sports Authority

Secretary
Harris County-Houston Sports Authority

EXHIBIT A

TERMS CERTIFICATE

(see Tab 4)

TERMS CERTIFICATE

Re: Harris County-Houston Sports Authority
Senior Lien Revenue Refunding Bonds, Series 2020A
(the "Series 2020A Bonds")
Taxable Senior Lien Revenue Refunding Bonds, Series 2020B
(the "Series 2020B Bonds")
Taxable Second Lien Revenue Refunding Bonds, Series 2020C
(the "Series 2020C Bonds")

I, the undersigned officer of the Harris County-Houston Sports Authority (the "Authority"), do hereby make and execute this Certificate pursuant to Section 1.2(b) of Resolution No. 2020 - 05 approved by the Board of Directors of the Authority on August 27, 2020 (the "Bond Resolution"), authorizing, among other matters, the issuance of the above referenced bonds (collectively, the "Bonds"). Capitalized terms used in this Certificate shall have the meaning given such terms in the Bond Resolution and in the Fourth Amended and Restated Indenture of Trust, originally dated as of August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014, the Twenty-Eighth Supplemental Indenture of Trust, the Twenty-Ninth Supplemental Indenture of Trust, the Thirtieth Supplemental Indenture of Trust and the Thirty-First Supplemental Indenture of Trust, each dated as of October 1, 2020, all by and between the Authority and UMB Bank, National Association, as trustee.

As authorized by Section 1.2(b) of the Bond Resolution, I have acted on behalf of the Authority in selling the Bonds to Wells Fargo Securities, as representative of the several underwriters named in the Bond Purchase Agreement authorized and approved pursuant to Section 1.4 of the Bond Resolution with Bonds having the following additional designations, terms, and provisions:

TERMS OF THE BONDS

- a. Principal Amounts. The Series 2020A Bonds shall be issued as Current Interest Bonds in the aggregate principal amount of \$52,035,000. The Series 2020B Bonds shall be issued as Current Interest Bonds in the aggregate principal amount of \$34,265,000. The Series 2020C Bonds shall be issued as Current Interest Bonds in the aggregate principal amount of \$25,865,000.
- b. Interest Rates and Initial Interest Payment Dates. The Series 2020 Bonds shall accrue interest from the date of delivery. The Initial Interest Payment Date for the Series 2020 Bonds shall be May 15, 2021.
- c. Maturities, Amounts, and Interest Rates. The Series 2020 Bonds shall mature on the following dates in the following principal amount, subject to prior redemption as set forth below, and bear interest at the following rates:

Series 2020A Bonds

<u>Maturity</u> <u>(November 15)</u>	<u>Principal Amount</u>	<u>Interest</u> <u>Rate (%)</u>
2056	\$52,035,000	3.125

Series 2020B Bonds

<u>Maturity</u> <u>(November 15)</u>	<u>Principal Amount</u>	<u>Interest</u> <u>Rate (%)</u>
2056	\$34,265,000	3.710

Series 2020C Bonds

<u>Maturity</u> <u>(November 15)</u>	<u>Principal Amount</u>	<u>Interest</u> <u>Rate (%)</u>
2040	\$25,865,000	3.860

- d. Optional Redemption. On November 15, 2030, and on any date thereafter, the Authority shall have the option of calling the Series 2020 Bonds maturing thereafter for redemption prior to maturity, in whole or in part, for an amount equal to the accrued interest thereon from the most recent Interest Payment Date to the date fixed for redemption.
- e. Term Bonds and Mandatory Redemption. The Series 2020A Bonds issued as term bonds maturing in the year 2056 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 the Mandatory Redemption Dates, and subject to the conditions set forth in the Indenture:

\$52,035,000 Series 2020A Term Bonds Maturing in November 15, 2056

<u>Mandatory</u> <u>Redemption Date</u> <u>(November 15)</u>	<u>Principal</u> <u>Amount</u>
2054	\$16,815,000
2055	17,340,000
2056*	17,880,000

*maturity

- f. The Series 2020B Bonds issued as term bonds maturing in the year 2056 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 the Mandatory Redemption Dates, and subject to the conditions set forth in the Indenture:

\$34,265,000 Series 2020B Term Bonds Maturing in November 15, 2056

Mandatory Redemption Date (November 15)	Principal Amount
2054	\$11,010,000
2055	11,415,000
2056*	11,840,000

*maturity

- g. The Series 2020C Bonds issued as term bonds maturing in the year 2040 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 the Mandatory Redemption Dates, and subject to the conditions set forth in the Indenture:

\$25,865,000 Series 2020B Term Bonds Maturing in November 15, 2040

Mandatory Redemption Date (November 15)	Principal Amount
2035	\$4,385,000
2036	4,175,000
2037	4,085,000
2038	4,240,000
2039	4,405,000
2040*	4,575,000

*maturity

- h. Loss. The issuance of the Bonds and refunding of the Refunded Obligations is in the best interests of the Authority.

The maximum amount by which the aggregate amount of payments to be made under the Series 2020 Bonds exceeds the aggregate amount of payments that would have been made under the terms of the Refunded Obligations (loss) is \$133,112,383.57 undiscounted, and \$12,131,405.29 million in net present value.

PURCHASE PRICES FOR SERIES 2020 BONDS

The purchase of the initial sale of the Series 2020A Bonds to the Original Purchaser is \$49,924,883.69 (being the aggregate principal amount of the Series 2020A Bonds, less the Original Purchaser's discount in the amount of \$302,420.41, less the original issue discount in the amount of \$1,807,695.90).

The purchase of the initial sale of the Series 2020B Bonds to the Original Purchaser is \$33,401,233.87 (being the aggregate principal amount of the Series 2020B Bonds, less the Original Purchaser's discount in the amount of \$200,053.08, less the original issue discount in the amount of \$663,713.05).

The purchase of the initial sale of the Series 2020C Bonds to the Original Purchaser is \$25,165,087.88 (being the aggregate principal amount of the Series 2020C Bonds, less the Original Purchaser's discount in the amount of \$170,455.57, less the original issue discount in the amount of \$529,456.55).

REFUNDED OBLIGATIONS

The bonds and certain payments of interest shown in Exhibit A will be purchased or defeased with proceeds of the Bonds (collectively, the "Refunded Obligations").

BOND INSURANCE AND SURETY POLICIES

The Authority approves the purchase of (i) three bond insurance policies from Assured Guaranty Municipal Corp. ("Assured") to provide municipal bond insurance for all of the Series 2020A Bonds, Series 2020B Bonds, and Series 2020C Bonds, and (ii) two surety policies from Assured to satisfy the debt service reserves for the Series 2020A and Series 2020B Bonds.

[Remainder of this Page Intentionally Left Blank]

WITNESS MY HAND, this September 30, 2020.



J. Kent Friedman
Chair

EXHIBIT A

REFUNDED OBLIGATIONS

Exhibit A - Refunded Obligations

Harris County Houston Sports Authority

Series 2020A Refunded Bonds (Tendered Bonds Purchased by the Authority)

Series	Stated Maturity	Original Principal Amount	CAB Maturity Amount	Interest Rate
Senior Lien Revenue Refunding Bonds, Series 2001A (CABs)	11/15/2021	\$ 120,443.40	\$ 395,000.00	5.880%
	11/15/2038 (Term)	66,406.90	665,000.00	6.240%
	11/15/2040 (Term)	202,354.00	2,300,000.00	6.250%
Senior Lien Revenue Refunding Bonds, Series 2014A (CIBs)	11/15/2021	12,995,000.00		5.000%
	11/15/2022	11,635,000.00		5.000%
	11/15/2023	11,690,000.00		5.000%
Second Lien Revenue Refunding Bonds, Series 2014C (CIBs)	11/15/2021	1,940,000.00		5.000%
	11/15/2022	1,675,000.00		5.000%

Series 2020B Refunded Obligations

	Stated Maturity	Principal Amount	Interest Rate	Refunded Interest Payment Date	Refunded Interest
Contribution to Series 2014A Senior Lien Principal Subaccount	11/15/2020	\$ 1,682,561.67			
Senior Lien Revenue Refunding Bonds, Series 2014A (CIBs)	11/15/2021	3,300,000.00	5.000%		
	11/15/2022	5,000,000.00	5.000%		
Contribution to Series 2001A Senior Lien Principal Subaccount	11/15/2020	179,436.86			

Series 2020B Refunded Interest

Senior Lien Revenue Refunding Bonds, Series 2014A	05/15/2021	\$ 6,461,875.00
	11/15/2021	6,461,875.00
	05/15/2022	6,461,875.00

Series 2020C Refunded Obligations

	Stated Maturity	Principal Amount	CAB Maturity Amount	Interest Rate	Refunded Interest Payment Date	Refunded Interest
Senior Lien Revenue Refunding Bonds, Series 2001A (CABs)	11/15/2021	\$ 1,215,106.20	\$ 3,985,000.00	5.880%		
Senior Lien Revenue Refunding Bonds, Series 2014A (CIBs)	11/15/2021	2,065,000.00		5.000%		
	11/15/2022	4,600,000.00		5.000%		
Contribution to Series 2014C Second Lien Principal Subaccount	11/15/2020	490,796.38				
Second Lien Revenue Refunding Bonds, Series 2014C (CIBs)	11/15/2021	1,150,000.00		5.000%		
	11/15/2022	1,570,000.00		5.000%		

Series 2020C Refunded Interest

Contribution to Series 2014C Second Lien Interest Subaccount	11/15/2020	\$ 443,216.70
Second Lien Revenue Refunding Bonds, Series 2014C (CIBs)	05/15/2021	1,355,875.00
	11/15/2021	1,355,875.00
	05/15/2022	1,355,875.00
	11/15/2022	1,355,875.00

EXHIBIT B-1

TWENTY-EIGHTH SUPPLEMENTAL INDENTURE

(see Tab 5)

HARRIS COUNTY-HOUSTON SPORTS
AUTHORITY

AND

UMB BANK, NATIONAL ASSOCIATION

AS

TRUSTEE

TWENTY-EIGHTH SUPPLEMENTAL INDENTURE OF TRUST

Dated as of October 1, 2020

\$52,035,000
SENIOR LIEN REVENUE REFUNDING BONDS
SERIES 2020A

TABLE OF CONTENTS

	<u>Page</u>
PARTIES	1
RECITALS	1
GRANTING CLAUSES	1
 ARTICLE ONE	
Section 1.1. <i>Definitions Generally</i>	4
Section 1.2. <i>Additional Definitions Applicable to this Twenty-Eighth Supplemental Indenture</i>	4
Section 1.3. <i>Rules of Interpretation.</i>	7
 ARTICLE TWO	
Section 2.1. <i>Authorized Amount and Form of Series 2020A Bonds, Purpose</i>	8
Section 2.2. <i>Terms of the Series 2020A Bonds</i>	8
Section 2.3. <i>Additional Terms for Series 2020A Bonds</i>	9
Section 2.4. <i>Delivery of Series 2020A Bonds</i>	9
 ARTICLE THREE	
Section 3.1. <i>Optional and Mandatory Redemption</i>	11
Section 3.2. <i>Partial Redemption of Series 2020A Bonds</i>	11
Section 3.3. <i>Procedure for Redemption</i>	11
Section 3.4. <i>Cancellation</i>	11
 ARTICLE FOUR	
Section 4.1. <i>Book-Entry Only System.</i>	12
Section 4.2. <i>Transfers Outside Book-Entry Only System.</i>	12
Section 4.3. <i>Payments and Notices to Cede & Co.</i>	13
 ARTICLE FIVE	
Section 5.1. <i>Definitions.</i>	14
Section 5.2. <i>Not to Cause Interest to Become Taxable.</i>	15
Section 5.3. <i>Payment of Rebate Amount.</i>	16
Section 5.4. <i>Ineligible Payments</i>	17
Section 5.5. <i>No Payment/Term Modifications to Agreements</i>	18
 ARTICLE SIX	
Section 6.1. <i>Establishment of Series 2020A Accounts; Deposit of Series 2020A Bond Proceeds.</i>	19
Section 6.2. <i>Debt Service Account.</i>	20
Section 6.3. <i>Series 2020A Costs of Issuance Subaccount.</i>	21
Section 6.4. <i>Senior Lien Debt Service Reserve Account</i>	21
Section 6.5. <i>Series 2020A Rebate Subaccount.</i>	22
Section 6.6. <i>Series 2020A Policy Payments Account</i>	22
 ARTICLE SEVEN	
Section 7.1. <i>Payments Under Bond Insurance Policy (Series 2020A).</i>	23

Section 7.2. <i>Notices.</i>	26
ARTICLE EIGHT	
Section 8.1. <i>The Debt Service Reserve Account Policy (Series 2020A).</i>	27
ARTICLE NINE	
Section 9.1. <i>Annual Reports</i>	30
Section 9.2. <i>Material Event Notices</i>	30
Section 9.3. <i>Limitations, Disclaimers, and Amendments</i>	32
ARTICLE TEN	
Section 10.1. <i>Team Payments Pledged to Trust Estate.</i>	34
ARTICLE ELEVEN	
Section 11.1. <i>Defaults and Remedies.</i>	35
Section 11.2. <i>The Trustee and Paying Agent.</i>	35
Section 11.3. <i>Amendments to the Indenture.</i>	35
Section 11.4. <i>Severability.</i>	35
Section 11.5. <i>Notices.</i>	36
Section 11.6. <i>Counterparts.</i>	36
SIGNATURES	
EXHIBIT A --	FORM OF SERIES 2020A BOND
EXHIBIT B --	REQUISITION CERTIFICATE
EXHIBIT C --	SCHEDULE OF CONTINUING DISCLOSURE INFORMATION
EXHIBIT D --	SCHEDULE OF SERIES 2020A REFUNDED BONDS

TWENTY-EIGHTH SUPPLEMENTAL INDENTURE OF TRUST

THIS TWENTY-EIGHTH SUPPLEMENTAL INDENTURE OF TRUST (the “*Twenty-Eighth Supplemental Indenture*”) is made and entered into as of October 1, 2020, by and between the HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a political subdivision of Harris County, Texas, Houston, Texas, and the State of Texas duly organized and existing under the Constitution and laws of the State of Texas (the “*Issuer*”), and UMB BANK, NATIONAL ASSOCIATION, a national banking association, authorized to accept and execute trusts of the character herein set out, with a payment office in Kansas City, Missouri (the “*Trustee*”):

W I T N E S S E T H

WHEREAS:

A. The Issuer and the Trustee have heretofore entered into the Original Indenture to provide for the issuance of Bonds and certain other obligations under the Enabling Act to provide funds for the costs related to the Approved Venue Projects and such other purposes as may be permitted under the Enabling Act, and the Original Indenture provides that each Series of Bonds shall be issued as specifically authorized and provided for in a Supplemental Indenture.

B. The Issuer and the Trustee now wish to enter into this Twenty-Eighth Supplemental Indenture to provide for the issuance of the Issuer’s Senior Lien Revenue Refunding Bonds, Series 2020A, in the original aggregate principal amount of \$52,035,000 (the “*Series 2020A Bonds*”).

C. The Issuer has satisfied all conditions stated in the Original Indenture as prerequisites to the issuance of the Series 2020A Bonds and has done and performed any and all things and adopted all ordinances required under the Indenture and the Enabling Act as preconditions to the issuance of a Series of Bonds as specified therein, and the Series 2020A Bonds are being authorized pursuant to the Enabling Act.

D. All things necessary to make the Series 2020A Bonds, when authenticated by the Trustee and issued as in this Twenty-Eighth Supplemental Indenture provided, valid, binding, and legal special limited obligations of the Issuer according to the import thereof, and to constitute the Original Indenture and this Twenty-Eighth Supplemental Indenture valid contracts for the security of the Series 2020A Bonds, have been done and performed; and the creation, execution, and delivery of this Twenty-Eighth Supplemental Indenture and the creation, execution, and issuance of the Series 2020A Bonds, subject to the terms hereof, have in all respects been duly authorized.

NOW THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS, THIS TWENTY-EIGHTH SUPPLEMENTAL INDENTURE WITNESSETH:

The Issuer, in consideration of the premises and the acceptance by the Trustee of the trusts created hereby and by the Indenture and of the purchase and acceptance of the Series 2020A Bonds by the Owners thereof, in order to provide a source of payment for and to secure the payment of the principal of, premium, if any, and interest on the Series 2020A Bonds according to their tenor and effect, the payment of all amounts due and owing to the Series 2020A Credit Provider and the Debt Service Reserve Account Policy (Series 2020A) Credit Provider, and the performance and observance by the Issuer of all the covenants expressed or implied in the Indenture and herein and in the Series 2020A Bonds, does hereby grant, mortgage, grant a security interest in, assign, transfer in trust, and pledge to the Trustee, and to its successors in trust, and to them and their assigns forever, the following:

FIRST

All of the Trust Estate as described and pledged pursuant to the Indenture, in accordance with the terms of the Indenture;

SECOND

The Bond Insurance Policy (Series 2020A) and all amounts received thereunder; provided, that the Bond Insurance Policy (Series 2020A) and all amounts received thereunder or in connection therewith shall constitute a source of payment solely and exclusively for the Insured Series 2020A Bonds provided as herein and in such Bond Insurance Policy (Series 2020A), and the amounts received thereunder or in connection therewith shall not be deemed part of the Trust Estate with respect to any other Series of Bonds from time to time Outstanding under the Indenture; and

THIRD

The Debt Service Reserve Account Policy (Series 2020A) and all amounts received thereunder or in connection therewith; provided, that the Debt Service Reserve Account Policy (Series 2020A) and all amounts received thereunder or in connection therewith shall constitute a source of payment solely and exclusively for the Series 2020A Bonds, and the amounts received thereunder or in connection therewith shall not be deemed part of the Trust Estate with respect to any other Series of Bonds from time to time Outstanding under the Indenture;

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby granted and assigned, or agreed or intended so to be, to the Trustee and its successors in trust and to them and their assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all Owners from time to time of the Bonds issued under and secured by the Indenture and the Credit Providers, without privilege, priority or distinction as to lien or otherwise of any of the Bonds over any other Bonds except as otherwise provided in the Original Indenture, any other Supplemental Indenture or herein with respect to certain security or sources of payment for certain of the Series 2020A Bonds, except for those portions of the Trust Estate described in Granting Clauses Second and Third, which shall constitute a source of payment solely and exclusively for the Series 2020A Bonds, and the

amounts received thereunder or in connection therewith shall not be deemed part of the Trust Estate with respect to any other Series of Bonds from time to time Outstanding under the Indenture;

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, or provide fully for payment as herein provided of the principal of the Series 2020A Bonds and the interest due or to become due thereon (together with premium, if any), at the time and in the manner set forth in the Series 2020A Bonds according to the true intent and meaning thereof, and shall make the payments into the Senior Lien Debt Service Account as required under the Indenture or shall provide, as permitted by the Indenture, for the payment thereof by depositing with the Trustee sums sufficient for payment of the entire amount due or to become due thereon as therein provided, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Indenture to be kept, performed and observed by it, and shall pay to the Trustee, the Series 2020A Credit Provider, and the Debt Service Reserve Account Policy (Series 2020A) Credit Provider all sums of money due or to become due to them in accordance with the terms and provisions hereof and of the Original Indenture, then this Twenty-Eighth Supplemental Indenture and all provisions of the Indenture applicable to the Series 2020A Bonds and the rights thereby granted shall cease, terminate and be void except as otherwise provided herein; otherwise, the Indenture shall be and remain in full force and effect with respect to the Series 2020A Bonds.

UNDER THE PROVISIONS OF THE ENABLING ACT AND THE INDENTURE AS HEREBY AMENDED AND SUPPLEMENTED, the Series 2020A Bonds and any other obligations hereunder may be payable from and are a charge upon only the Revenues, Special Revenues, and Trust Estate pledged to the payment thereof and no Owner or Owners of the Bonds shall ever have the right to compel any exercise of the taxing power of the Issuer to pay any Series 2020A Bonds or the interest and premium, if any, thereon, or to enforce payment thereof against any property of the Issuer, except with respect to Revenues and the Special Revenues to the extent pledged hereby and by the Indenture and the Series 2020A Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the Issuer, except as provided in the Indenture and herein, and the Enabling Act provides that under no circumstances shall any Series 2020A Bond or other obligation of the Issuer be or become an indebtedness or obligation of the State of Texas, Harris County, Texas or the City of Houston, Texas or any other political subdivision of or municipality within the State, nor shall any such Series 2020A Bond or obligation be or become an indebtedness of the Issuer within the purview of any constitutional limitation or provision, but nothing in the Enabling Act impairs the rights of Owners of Series 2020A Bonds issued under the Original Indenture and this Twenty-Eighth Supplemental Indenture to enforce the covenants made for the security thereof as provided in the Original Indenture and this Twenty-Eighth Supplemental Indenture and in the Enabling Act and the Issuer and the Trustee mutually covenant and agree, to the extent specifically provided herein, for the benefit of all Owners of all series of Bonds as follows:

[Remainder of This Page Intentionally Left Blank]

ARTICLE ONE

DEFINITIONS, EXHIBITS AND GENERAL PROVISIONS

Section 1.1. *Definitions Generally.*

All terms capitalized but not defined in **Section 1.2** or elsewhere in this Twenty-Eighth Supplemental Indenture shall have the meanings assigned to such terms in the Original Indenture.

Section 1.2. *Additional Definitions Applicable to this Twenty-Eighth Supplemental Indenture.*

In this Twenty-Eighth Supplemental Indenture, the following terms have the following meanings unless the context hereof clearly requires otherwise:

“AGM” means Assured Guaranty Municipal Corp.

“Bond Insurance Policy (Series 2020A)” means the municipal bond insurance policy issued by AGM and designated as Policy Number 220594-N insuring the payment when due of the principal of and interest on the Insured Series 2020A Bonds as provided therein.

“Bondowner,” for the purposes of this Twenty-Eighth Supplemental Indenture only, means the person in whose name a Series 2020A Bond is registered in the Bond Register.

“Corresponding Agreements,” for the purposes of this Twenty-Eighth Supplemental Indenture only, means the Bond Insurance Policy (Series 2020A), the Series 2020A Credit Agreement, this Twenty-Eighth Supplemental Indenture, and the Original Indenture.

“Debt Service Reserve Account Policy (Series 2020A)” means the municipal bond debt service reserve insurance policy issued by AGM and designated as Policy Number 220594-R issued in a principal amount equal to the Reserve Requirement for the Series 2020A Bonds by the Debt Service Reserve Account Policy (Series 2020A) Credit Provider.

“Debt Service Reserve Account Policy (Series 2020A) Credit Provider” means AGM or any successor thereto, in its capacity as issuer of the Debt Service Reserve Account Policy (Series 2020A).

“Debt Service Reserve Account Policy Agreement (Series 2020A)” means the Reimbursement and Indemnity Agreement dated as of October 1, 2020, by and between the Issuer and the Series 2020A Credit Provider, as it may be amended and supplemented from time to time. Such Agreement constitutes a “Credit Agreement” as defined in the Original Indenture.

“DTC” mean Depository Trust Company, New York, New York, as Depository for the Bonds, and its successors and assigns.

“EMMA” means the Electronic Municipal Market Access website.

“Indenture” means the Original Indenture, as amended and supplemented by supplemental indentures, including this Twenty-Eighth Supplemental Indenture, and as further supplemented and amended from time to time.

“Insured Series 2020A Bonds” means the Series 2020A Bonds.

“Interest Payment Dates” means May 15 and November 15 of each year commencing May 15, 2021.

“Mandatory Sinking Fund Payment Dates”, for the purpose of this Twenty-Eighth Supplemental Indenture only, means the dates specified in *Exhibit A*.

“Mandatory Sinking Fund Payments” means the payments which are required to be made under *Section 3.1* to redeem the Series 2020A Bonds in accordance with the Mandatory Sinking Fund Requirements after appropriate credits, if any, have been made.

“Mandatory Sinking Fund Requirements” means the mandatory sinking fund schedules for the Series 2020A Bonds set forth in *Exhibit A*.

“MSRB” means the Municipal Securities Rulemaking Board. Information to be filed with the MSRB pursuant to the Rule will be submitted through EMMA maintained by the MSRB and accessible at <http://www.emma.msrb.org> or other such other access location as designated by the SEC or the MSRB.

“NRG Stadium Indenture” means the Indenture of Trust, dated as of December 1, 2014, between the Issuer and Amegy Bank National Association relating to the Harris County-Houston Sports Authority Taxable Revenue Refunding Bonds (NRG Stadium Project) Series 2014.

“Original Indenture” means the Indenture of Trust dated as of August 15, 1998, as amended and restated on May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014, and as amended as of October 1, 2020, between the Issuer and the Trustee.

“Participants” mean those broker-dealers, banks and other financial institutions from time to time for which DTC holds Series 2020A Bonds as Depositary.

“Rebate Account”, for the purpose of this Twenty-Eighth Supplemental Indenture only, shall mean the Series 2020A Subaccount established as provided in *Section 6.1(a)*.

“Regular Record Date” means with respect to any Interest Payment Date, the last day of the month (whether or not a Business Day) preceding the month in which such Interest Payment Date occurs.

“Reserve Requirement”, for the purpose of this Twenty-Eighth Supplemental Indenture and with respect to the Series 2020A Bonds only, shall mean \$3,779,230.33.

“Rockets Stadium Indenture” means the Indenture of Trust, dated as of December 1, 2014, between the Issuer and The Bank of New York Mellon Trust Company, N.A.

relating to the Harris County-Houston Sports Authority Taxable Revenue Refunding Bonds (Toyota Center Project) Series 2014.

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

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

“Series 2020A Bonds” means all Bonds authorized to be issued under this Supplemental Indenture maturing on the dates and issued in the aggregate original principal amounts specified in *Section 2.2(a)*.

“Series 2020A Costs of Issuance Subaccount” for the purpose of this Twenty-Eighth Supplemental Indenture only, shall mean the Series 2020A Costs of Issuance Subaccount established within the Construction Account as provided in *Section 6.1(a)*.

“Series 2020A Credit Agreement” means the Reimbursement and Indemnity Agreement dated as of October 1, 2020, by and between the Issuer and the Series 2020A Credit Provider, as it may be amended and supplemented from time to time. Such Agreement constitutes a “Credit Agreement” as defined in the Original Indenture.

“Series 2020A Credit Provider” means AGM and its successors and assigns, in its capacity as provider of the Bond Insurance Policy (Series 2020A).

“Series 2020A Depository Letter” means the global representation letter from the Issuer and the Trustee to DTC.

“Series 2020A Policy Payments Account” for the purpose of this Twenty-Eighth Supplemental Indenture only, shall mean the Series 2020A Policy Payments Account established within the Senior Lien Debt Service Account as provided in *Section 6.1(a)*.

“Series 2020A Purchase Subaccount”, for the purpose of this Twenty-Eighth Supplemental Indenture only, means the Series 2020A Purchase Subaccount established within the Senior Lien Debt Service Account as provided in *Section 6.1(a)*.

“Series 2020A Refunded Bonds”, for the purpose of this Twenty-Eighth Supplemental Indenture only, means all or a portion of the Issuer’s outstanding Senior Lien Revenue Refunding Bonds, Series 2001A, Senior Lien Revenue Refunding Bonds, Series 2014A, and Second Lien Revenue Refunding Bonds, Series 2014C, tendered for sale to and purchased by the the Issuer pursuant to the Tender Offer, all as set forth in *Exhibit D* hereto.

“Series 2020A Senior Lien Credit Subaccount” for the purpose of this Twenty-Eighth Supplemental Indenture only, shall mean the Series 2020A Senior Lien Credit Subaccount established within the Senior Lien Debt Service Account as provided in *Section 6.1(a)*.

“Series 2020A Senior Lien Debt Service Reserve Subaccount” for the purpose of this Twenty-Eighth Supplemental Indenture only, shall mean the Series 2020A Senior Debt

Service Reserve Subaccount established within the Senior Lien Debt Service Account as provided in **Section 6.1(a)**.

“Series 2020A Senior Lien Interest Subaccount”, for the purpose of this Twenty-Eighth Supplemental Indenture only, means the Series 2020A Senior Lien Interest Subaccount established within the Senior Lien Debt Service Account as provided in **Section 6.1(a)**.

“Series 2020A Senior Lien Principal Subaccount”, for the purpose of this Twenty-Eighth Supplemental Indenture only, means the Series 2020A Senior Lien Principal Subaccount established within the Senior Lien Debt Service Account as provided in **Section 6.1(a)**.

“Series 2020A Senior Lien Redemption Subaccount”, for the purpose of this Twenty-Eighth Supplemental Indenture only, shall mean the Series 2020A Senior Lien Redemption Subaccount established within the Senior Lien Debt Service Account as provided in **Section 6.1(a)**.

“Tender Agent” means Globlic Advisors, as tender agent under the Tender Offer.

“Tender Offer” means the Invitation to Offer Bonds made by the Issuer relating to certain of the Series 2020A Refunded Bonds.

“Twenty-Eighth Supplemental Indenture” means this Twenty-Eighth Supplemental Indenture of Trust dated as of October 1, 2020, between the Issuer and the Trustee as such Twenty-Eighth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

Section 1.3. Rules of Interpretation.

This Twenty-Eighth Supplemental Indenture shall be construed and interpreted according to the rules of interpretation stated in **Section 1.2** of the Original Indenture.

[Remainder of This Page Intentionally Left Blank]

ARTICLE TWO
THE SERIES 2020A BONDS

Section 2.1. *Authorized Amount and Form of Series 2020A Bonds, Purpose.*

The Series 2020A Bonds shall be Senior Lien Bonds and Current Interest Bonds which shall be issued for the purpose of refunding all or part of the Series 2020A Refunded Bonds in fully registered form, without coupons, in such denominations as specified in **Section 2.2** hereof and in substantially the form of *Exhibit A* hereto, with such appropriate variations, omissions and insertions as are permitted or required by this Twenty-Eighth Supplemental Indenture, and in accordance with the further provisions of this Article. The aggregate original principal amount of the Series 2020A Bonds that may be outstanding hereunder is expressly limited to \$52,035,000, unless duplicate Series 2020A Bonds are issued as provided in **Section 2.7** of the Original Indenture.

Section 2.2. *Terms of the Series 2020A Bonds.*

(a) The Series 2020A Bonds shall be issued in accordance with the terms and conditions of this Article and shall:

(1) be initially issued in the aggregate original principal amount of \$52,035,000, in authorized denominations of \$5,000 or any integral multiple thereof;

(2) be dated as of October 1, 2020;

(3) be payable as to interest on May 15 and November 15 of each year commencing May 15, 2021;

(4) be subject to redemption on the dates, upon the terms and conditions and at the prices specified in **Article Three**;

(5) bear interest from the date of initial delivery of the Series 2020A Bonds or from the most recent Interest Payment Date to which interest has been paid or duly provided for until the principal amount thereof is paid, such interest to be computed upon the basis of a 360-day year of twelve 30-day months;

(6) except as provided in **Section 2.3**, be payable as to interest by check of the Trustee mailed to the person who, at the close of business on the Regular Record Date is the Owner of such Series 2020A Bond; and

(7) mature on November 15 in the amounts and shall bear interest from their date, until paid, at the rates set forth below:

Maturity	Principal (\$)	Interest (%)
2056	52,035,000	3.125

Section 2.3. *Additional Terms for Series 2020A Bonds.*

(a) Notwithstanding the provisions of **Section 2.2**, if the date for payment of the principal of, premium, if any, or interest on the Series 2020A Bonds shall be a day which is not a Business Day, then the date for such payment shall be the next succeeding day which is a Business Day, and payment on such later date shall have the same force and effect as if made on the nominal date of payment.

(b) The Series 2020A Bonds shall be initially issued as a single typewritten Initial Bond for each stated maturity, and shall be submitted to the Attorney General of the State of Texas as provided in **Section 2.1(c)** of the Original Indenture.

(c) The Series 2020A Bonds shall otherwise be issued as provided in the Original Indenture, including particularly **Article Two** thereof.

(d) The Series 2020A Bonds shall be payable, as to principal and interest, in lawful money of the United States.

Section 2.4. *Delivery of Series 2020A Bonds.*

Upon the execution and delivery of this Twenty-Eighth Supplemental Indenture, and upon delivery for cancellation of the Series 2020A Bonds approved by the Attorney General of Texas and registered by the Comptroller of Public Accounts, the Issuer shall execute and deliver to the Trustee, and the Trustee shall authenticate, the Series 2020A Bonds in the aggregate original principal amounts authorized by **Section 2.2** and the Trustee shall deliver the Series 2020A Bonds to DTC in accordance with the instructions of the Original Purchaser as hereinafter provided after the following have been filed with the Trustee:

- (1) all of the documents, agreements and other items required by **Section 2.4** and **Article Six** of the Original Indenture;
- (2) the original, executed Bond Insurance Policy (Series 2020A) and Debt Service Reserve Account Policy (Series 2020A);
- (3) a request and authorization (which may be part of a certificate of the Issuer) to the Trustee on behalf of the Issuer, signed by one Issuer Representative to deliver the Series 2020A Bonds to DTC in accordance with the instructions of the Original Purchaser upon payment to the Trustee for the account of the Issuer of a specified sum plus accrued interest, if any;
- (4) an opinion of Bond Counsel or Independent Counsel selected by the Issuer stating that (i) the Series 2020A Bonds are authorized by this Twenty-Eighth

Supplemental Indenture and (ii) this Twenty-Eighth Supplemental Indenture was duly adopted by the Issuer in conformity with the provisions and limitations set forth in the Enabling Act and the Original Indenture;

- (5) any other documents or opinions which Bond Counsel may require for purposes of rendering their opinion required under the Original Indenture or this Twenty-Eighth Supplemental Indenture;
- (6) confirmation that DTC has credited the tendered Series 2020A Refunded Bonds to the Automated Tender Option Program (ATOP) account(s) established by the Tender Agent at DTC for purchase pursuant to the Tender Offer; and
- (7) confirmation that the tendered Series 2020A Refunded Bonds accepted for purchase by the Issuer will be debited from the securities position of participants at DTC and released to the Trustee, which the Trustee shall cancel upon delivery of the tender price for (including accrued interest on) such Series 2020A Refunded Bonds to the ATOP account(s).

[Remainder of This Page Intentionally Left Blank]

ARTICLE THREE

REDEMPTION OF SERIES 2020A BONDS BEFORE MATURITY

Section 3.1. *Optional and Mandatory Redemption.*

The Series 2020A Bonds are subject to optional and mandatory redemption prior to stated maturity in accordance with the terms provided in *Exhibit A* hereto.

Section 3.2. *Partial Redemption of Series 2020A Bonds.*

Except to the extent provided to the contrary herein, in the case of any partial redemption of Series 2020A Bonds of the same maturity and lien level pursuant to any provision of this Twenty-Eighth Supplemental Indenture, the particular Series 2020A Bonds or portions thereof to be redeemed shall be selected by the Trustee in such manner as the Trustee shall deem fair and equitable and as otherwise provided by **Section 2.2** of the Original Indenture.

Section 3.3. *Procedure for Redemption.*

In the event the Issuer shall give notice to the Trustee of any redemption of the Series 2020A Bonds, the Trustee shall mail notice, in the name of the Issuer, of the redemption of such Series 2020A Bonds, which notice shall contain the information required by **Section 2.2** of the Original Indenture.

Section 3.4. *Cancellation.*

All Series 2020A Bonds which have been redeemed shall be cancelled by the Trustee as provided in the Original Indenture and shall not be reissued.

[Remainder of This Page Intentionally Left Blank]

ARTICLE FOUR

BOOK ENTRY ONLY SYSTEM

Section 4.1. *Book-Entry Only System.*

Upon cancellation of the initial Series 2020A Bonds, the Series 2020A Bonds shall be initially issued as a single Series 2020A Bond for each stated maturity. Upon initial issuance, the ownership of each such Series 2020A Bond shall be registered in the Bond Register kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC. Except as provided in this Section or in **Section 4.2** hereof, all of the Outstanding Series 2020A Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC.

Notwithstanding any other provisions of the Original Indenture or this Twenty-Eighth Supplemental Indenture governing the payment, redemption and transfer or exchange of the Series 2020A Bonds, the “Book-Entry Only” securities clearance, settlement and transfer system provided by DTC, in accordance with DTC’s requirements and procedures, are authorized hereunder with respect to the Series 2020A Bonds, and the Issuer and the Trustee shall take such actions as are necessary to qualify the Series 2020A Bonds with DTC and to deliver the Series 2020A Bonds through DTC, including the delivery by the Issuer of the Series 2020A Depository Letter.

Pursuant to the rules and procedures of DTC now in effect, the Series 2020A Bonds shall be deposited with DTC (or with the Trustee on behalf of DTC) who shall hold said Series 2020A Bonds for its participants (the “*DTC Participants*”). While the Series 2020A Bonds are so held, the Owner of the Series 2020A Bonds on the Bond Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Series 2020A Bonds (the “*Beneficial Owners*”) being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as Depository for the Series 2020A Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general, the Issuer covenants and agrees with the Owners to arrange for a new Depository or to cause Series 2020A Bonds to be printed in definitive form and provide for the Series 2020A Bonds certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, in the absence of appointment of a new Depository, the Series 2020A Bonds in definitive form shall be assigned, transferred and exchanged on the Bond Register maintained by the Bond Registrar and payment of such Series 2020A Bonds shall be made in accordance with the provisions of the Indenture.

Section 4.2. *Transfers Outside Book-Entry Only System.*

In the event that the Issuer determines that DTC is incapable of discharging its responsibilities described herein and in the Series 2020A Depository Letter, the Issuer shall notify DTC of the availability through DTC of Replacement Bonds pursuant to **Section 2.11(d)** of the Original Indenture and the Series 2020A Bonds shall no longer be restricted to being registered in the Bond Register kept by the Bond Registrar in the name of Cede & Co., as

nominee of DTC, but may be registered in whatever name or names Bondowners transferring or exchanging Series 2020A Bonds shall designate, in accordance with ***Section 2.6*** of the Original Indenture.

Section 4.3. *Payments and Notices to Cede & Co.*

Notwithstanding any other provision of the Original Indenture or this Twenty-Eighth Supplemental Indenture to the contrary, so long as any Series 2020A Bond is 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 Series 2020A Bond and all notices with respect to such Series 2020A Bond shall be made and given, respectively, in the manner provided in the operational arrangements of DTC.

[Remainder of This Page Intentionally Left Blank]

ARTICLE FIVE
COVENANTS TO MAINTAIN STATUS
OF TAX EXEMPT BONDS

Section 5.1. *Definitions.*

When used in this Article, each of the following terms shall have the indicated meaning:

“Closing Date” means the date on which the Common Issue Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

“Code” means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

“Common Issue Bonds” means the Series 2020A Bonds and any other tax-exempt bonds sold within 15 days of the first day on which there is a binding written contract for the sale or exchange of the Series 2020A Bonds and which are part of the same “issue,” as defined in section 1.150-1(c) of the Treasury Regulations, as the Series 2020A Bonds.

“Computation Date” has the meaning stated in section 1.148-1(b) of the Treasury Regulations.

“Gross Proceeds” means any proceeds as defined in section 1.148-1(b) of the Treasury Regulations, and any replacement proceeds as defined in section 1.148-1(c) of the Treasury Regulations, of the Common Issue Bonds.

“Investment” has the meaning stated in section 1.148-1(b) of the Treasury Regulations.

“Nonpurpose Investment” means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Common Issue Bonds are invested and which is not acquired to carry out the governmental purposes of the Common Issue Bonds.

“Rebate Amount” has the meaning set forth in section 1.148-1(b) of the Treasury Regulations.

“Treasury Regulations” means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Common Issue Bonds. Any reference to any specific Treasury Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Treasury Regulation referenced.

“Yield of”

(1) any Investment shall be computed in accordance with section 1.148-5 of the Treasury Regulations, and

(2) the Common Issue Bonds shall be computed in accordance with section 1.148-4 of the Treasury Regulations.

Section 5.2. *Not to Cause Interest to Become Taxable.*

The Issuer shall not use, permit the use of or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds) in a manner which, if made or omitted, respectively, would cause the interest on any Common Issue Bond to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the Issuer shall have received a written opinion of Bond Counsel to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Common Issue Bond, the Issuer shall comply with each of the specific covenants in this Article.

(a) No Private Payments. Except to the extent permitted by section 141 of the Code and the regulations and rulings thereunder, the Issuer shall, at all times prior to the last stated maturity of the Common Issue Bonds, not directly or indirectly impose or accept any charge or other payment for use of Gross Proceeds of the Common Issue Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds (including property financed with Gross Proceeds of the Series 2020A Refunded Bonds) other than taxes of general application and interest earned on Investments allocated to such Gross Proceeds pending application for their intended purposes.

(b) No Private Loan. Except to the extent permitted by section 141 of the Code and the regulations and rulings thereunder, the Issuer shall not use Gross Proceeds of any of the Common Issue Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, Gross Proceeds are considered to be “loaned” to a person or entity if (1) property acquired, constructed or improved with Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes, (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement, or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or such property are otherwise transferred in a transaction which is the economic equivalent of a loan.

(c) Not to Invest at Higher Yield. Except to the extent permitted by section 148 of the Code and the regulations and rulings thereunder, the Issuer shall not, at any time prior to the earlier of the final stated maturity or final payment of the Common Issue Bonds, directly or indirectly invest Gross Proceeds of such Common Issue Bonds in any Investment (or use such Gross Proceeds to replace money so invested), if as a result of such investment the Yield of all Investments allocated to such Gross Proceeds whether then held or previously disposed of, exceeds the Yield on such Common Issue Bonds.

(d) Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the regulations and rulings thereunder, the Issuer shall not take or

omit to take any action which would cause the Common Issue Bonds to be federally guaranteed within the meaning of section 149(b) of the Code and the regulations and rulings thereunder.

(e) Information Report. The Issuer shall timely file with the Secretary of the Treasury the information required by section 149(e) of the Code with respect to the Common Issue Bonds on such form and in such place as such Secretary may prescribe.

(f) Elections. The Issuer hereby directs and authorizes the Chair and Vice Chair, either or any combination of them, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Common Issue Bonds, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

(g) Bonds Not Hedge Bonds.

(1) At the time the original bonds refunded by the Common Issue Bonds were issued, the Issuer reasonably expected to spend at least 85% of the spendable proceeds of such bonds within three years after such bonds were issued.

(2) Not more than 50% of the proceeds of the original bonds refunded by the Common Issue Bonds were invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

Section 5.3. *Payment of Rebate Amount.*

(a) Except to the extent otherwise provided in section 148(f) of the Code and the regulations and rulings thereunder, the Issuer shall:

(1) account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of such accounting for at least six years after the day on which the last Common Issue Bond is discharged. The Issuer may, however, to the extent permitted by law, commingle Gross Proceeds of the Common Issue Bonds with other money of the Issuer, provided that the Issuer separately accounts for each receipt and expenditure of such Gross Proceeds and the obligations acquired therewith.

(2) calculate the Rebate Amount with respect to the Common Issue Bonds not less frequently than annually, in accordance with rules set forth in section 148(f) of the Code, section 1.148-3 of the Treasury Regulations, and the rulings thereunder. The Issuer shall, within 55 days of the calculation of the Rebate Amount provided in this **Subsection (2)**, deliver a copy of the calculation to the Trustee, and, to the extent that such calculation determines that the Issuer may owe any Rebate Amount to the United States, direct the Trustee in a writing executed by an Issuer Representative to transfer amounts to the Rebate Account from any Account or Subaccount with respect to which such Rebate Amount may be owed. The Issuer and the Trustee shall maintain a copy of such calculations for at least six years after the final Computation Date.

(3) as additional consideration for the purchase of the Common Issue Bonds by the initial purchaser thereof and the loan of the money represented thereby, and in order to induce such purchase by measures designed to ensure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, pay to the United States the amount described in **Subsection (2)** above from Revenues, Special Revenues, and other amounts pledged for payment of the Series 2020A Bonds as part of the Trust Estate, at the times, in the installments, to the place, in the manner and accompanied by such forms or other information as is or may be required by section 148(f) of the Code and the regulations and rulings thereunder. At any time the Issuer is required to pay any Rebate Amount to the United States the Issuer shall within 60 days of the calculation of the Rebate Amount provided in **Subsection (2)** of this Section provide to the Trustee the applicable Form 8038T (or successor form thereto), and direct the Trustee to remit to the United States such Rebate Amount.

(4) exercise reasonable diligence to assure that no errors are made in the calculations required by **Subsection (2)** and, if such error is made, to discover and promptly to correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, any interest thereon and any penalty required by the Treasury Regulations.

Notwithstanding anything in this Subsection, if at any time the Issuer determines that as a result of expenditures of Bond proceeds or otherwise the Issuer is not required to pay any further Rebate Amounts to the United States with respect to the Common Issue Bonds as a result of an exception to payment of Rebate Amounts authorized by section 148(f) of the Code and the regulations and rulings thereunder, then upon delivery to the Trustee of (i) a certificate executed by an Issuer Representative setting forth the factual basis for the exception to further payment of any Rebate Amounts and (ii) an Opinion of Bond Counsel to the effect that failing to make further payment of any Rebate Amounts will not adversely affect the tax-exempt status of the interest on the Common Issue Bonds, thereafter the Issuer may discontinue the calculations, payments, and reports required by this **Subsection (a)**.

(b) Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the regulations and rulings thereunder, the Issuer shall not, at any time prior to the earlier of the final stated maturity or final payment of the Common Issue Bonds enter into any transaction that reduces the amount required to be paid to the United States pursuant to this Section 5.3(a) because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of such Series of the Common Issue Bonds not been relevant to either party.

Section 5.4. *Ineligible Payments.*

Without an approving opinion of Bond Counsel to the effect that such use will not adversely affect the excludability of interest on any Common Issue Bond from the gross income of the owners thereof for federal income tax purposes, the Issuer may not use pledged amounts defined as "Revenues" in the NRG Stadium Indenture or defined as "Revenues" in the Rockets Stadium Indenture for the payment of principal of or interest on other amounts owed in connection with the Series 2020A Bonds.

Section 5.5. *No Payment/Term Modifications to Agreements.*

Without an approving opinion of Bond Counsel to the effect that such action will not adversely affect the excludability of interest on any Common Issue Bond, the Issuer shall not modify any payment or term provision of, renew or extend any agreements pursuant to which the Issuer receives or is assigned payments with respect to the facilities financed with proceeds of the Series 2020A Refunded Bonds, nor shall the Issuer enter into any new agreements pursuant to which the Issuer receives or is assigned payments with respect to such facilities.

[Remainder of This Page Intentionally Left Blank]

ARTICLE SIX
FUNDS AND ACCOUNTS

Section 6.1. *Establishment of Series 2020A Accounts; Deposit of Series 2020A Bond Proceeds.*

(a) There is hereby established within the Senior Lien Debt Service Account a Series 2020A Senior Lien Interest Subaccount, a Series 2020A Senior Lien Principal Subaccount, a Series 2020A Senior Lien Redemption Subaccount, a Series 2020A Policy Payments Account, a Series 2020A Senior Lien Credit Subaccount, and a Series 2020A Purchase Subaccount. There is hereby established a Series 2020A Senior Lien Debt Service Reserve Subaccount within the Senior Lien Debt Service Reserve Account. There is hereby established a Series 2020A Costs of Issuance Subaccount within the Construction Account. There is hereby established a Series 2020A Rebate Subaccount within the Rebate Account.

(b) The net proceeds of the initial sale of the Series 2020A Bonds to the Original Purchaser (being the aggregate principal amount of the Series 2020A Bonds, less the Original Purchaser's discount in the amount of \$302,420.41, less the original issue discount in the amount of \$1,807,695.90, and less \$3,841,209.71 payable to AGM as the Series 2020A Credit Provider and the Debt Service Reserve Account Policy (Series 2020A) Credit Provider (as described below) shall be deposited as follows:

- (1) accrued interest, if any, received upon payment for the Series 2020A Bonds shall be deposited upon receipt in the Series 2020A Senior Lien Interest Subaccount in the Debt Service Account;
- (2) \$45,617,934.85 of the net proceeds of the Series 2020A Bonds, \$726,400.00 from the Series 2014A Senior Lien Interest Subaccount, and \$72,300.00 from the Series 2014C Second Lien Interest Subaccount shall be deposited with DTC for credit to the ATOP account(s) referred to in **Section 2.4** to pay the aggregate tender price due on the Issue Date for the tendered Series 2020A Refunded Bonds accepted by the Issuer for purchase (including accrued interest);
- (3) \$465,739.13 of the net proceeds received upon the sale of the Series 2020A Bonds, representing Costs of Issuance, shall be deposited upon receipt in the Series 2020A Costs of Issuance Subaccount; and
- (4) the balance of the net proceeds received upon the sale of the Series 2020A Bonds shall be deposited upon receipt into the Pledged Revenue Account.

On the Issue Date, the Issuer shall cause to be paid from proceeds of the initial sale of the Series 2020A Bonds, \$3,274,325.16 to the Series 2020A Credit Provider as the premium for the Bond Insurance Policy (Series 2020A) and \$566,884.55 to the Debt Service Reserve Account Policy (Series 2020A) Credit Provider as the premium for the Debt Service Reserve Account Policy (Series 2020A).

(c) On the Issue Date, the Trustee shall deposit \$299.91 from the Series 2001A Senior Lien Interest Subaccount into the Series 2001A Senior Lien Principal Subaccount, and \$566,938.50 from the Series 2014A Senior Lien Interest Subaccount into the Series 2014A Senior Lien Principal Subaccount.

Section 6.2. *Debt Service Account.*

In addition and supplemental to the Debt Service Account provisions of the Original Indenture, the following provisions shall govern operation of the Debt Service Account with respect to the Series 2020A Bonds:

(a) Senior Lien Interest Subaccount. The moneys directed to be deposited into the Series 2020A Senior Lien Interest Subaccount pursuant to **Section 6.1(b)(1)**, if any, shall be deposited therein. Prior to the application of any amounts from the Pledged Revenue Account or the Special Revenue Account to pay interest on the Series 2020A Bonds pursuant to **Section 5.4** or **Section 5.2(e)** of the Indenture, the Trustee shall first apply amounts deposited into the Series 2020A Senior Lien Interest Subaccount, if any, pursuant to **Section 6.1(b)(1)** to the Series 2020A Senior Lien Interest Subaccount as credits, all as contemplated by and consistent with **Section 5.4** of the Indenture.

(b) Senior Lien Principal Subaccount. All amounts directed to be deposited into the Series 2020A Senior Lien Principal Subaccount pursuant to the Original Indenture or this Twenty-Eighth Supplemental Indenture shall be applied to pay principal on the Series 2020A Bonds as and when due, whether by reason of maturity or Mandatory Sinking Fund Requirements pursuant to **Section 3.1**, or, to the extent provided in the Original Indenture, by reason of redemption prior to stated maturity. There shall be transferred to the Series 2020A Senior Lien Principal Subaccount, monthly, the amount required to be transferred from the Pledged Revenue Account pursuant to **Section 5.4(a)(2)** of the Indenture or the Special Revenue Account pursuant to **Section 5.4(d)** or **Section 5.2(e)** of the Indenture.

In the event the Series 2020A Bonds payable out of the Series 2020A Senior Lien Principal Subaccount on a specific date as aforesaid have been fully paid and excess moneys are on deposit in the Series 2020A Senior Lien Principal Subaccount on that specific date, then such moneys on deposit in the Series 2020A Senior Lien Principal Subaccount on such date shall be applied to Series 2020A Bonds payable out of the Series 2020A Senior Lien Principal Subaccount on the next succeeding date in chronological order. The Series 2020A Bonds shall be paid or redeemed by the Trustee pursuant to the provisions of this paragraph without any notice from or direction by the Issuer.

(c) Senior Lien Redemption Subaccount. All amounts directed to be deposited into the Series 2020A Senior Lien Redemption Subaccount pursuant to the Original Indenture or this Twenty-Eighth Supplemental Indenture to redeem or purchase Series 2020A Bonds shall be so applied.

(d) Senior Lien Credit Subaccount. The Series 2020A Credit Provider is subrogated to the rights of the Owners of the Series 2020A Bonds in the Trust Estate if the Series 2020A Credit Provider makes payments under the Bond Insurance Policy (Series 2020A). **To the extent, however, that such subrogation rights are insufficient to pay to the Series 2020A Credit Provider all amounts owing under the Series 2020A Credit Agreement, then the Trustee, upon written direction of the Series 2020A Credit Provider, shall deposit Revenues to the Series 2020A Senior Lien Credit Subaccount as provided in the Indenture and apply amounts held therein upon written direction of the Series 2020A Credit Provider to the satisfaction of such unsubrogated obligations under the Series 2020A Credit Agreement.**

(e) Series 2020A Purchase Subaccount. All net proceeds of the Series 2020A Bonds received by the Trustee, or other available funds, to be deposited to DTC for credit to the ATOP account(s) referred to in **Section 2.4** to pay the aggregate tender price due on the Issue Date for the tendered Series 2020A Refunded Bonds accepted by the Issuer for purchase (including accrued interest), may be deposited initially into the Series 2020A Purchase Subaccount, as needed.

(f) Except as expressly provided to the contrary by this Twenty-Eighth Supplemental Indenture, all amounts realized upon investment of amounts on deposit in the Subaccounts within the Debt Service Account established under this Twenty-Eighth Supplemental Indenture shall be applied as provided in the Original Indenture.

Section 6.3. *Series 2020A Costs of Issuance Subaccount.*

In addition and supplemental to the Construction Account provisions of the Original Indenture, the following provisions shall govern operation of the Series 2020A Costs of Issuance Subaccount with respect to the Series 2020A Bonds:

(a) The moneys directed to be deposited in the Series 2020A Costs of Issuance Subaccount by **Section 6.1(b)(4)** hereof, shall be deposited therein. All amounts realized upon investment of amounts on deposit in the Series 2020A Costs of Issuance Subaccount shall be credited to the Series 2020A Costs of Issuance Subaccount.

(b) The Trustee shall disburse funds from the Series 2020A Costs of Issuance Subaccount upon receipt by the Trustee of a requisition certificate of the Issuer Representative directing the disbursement of such funds as provided in **Section 5.3(c)** of the Original Indenture and as attached hereto as *Exhibit C*.

Section 6.4. *Senior Lien Debt Service Reserve Account.*

(a) In addition and supplemental to the Senior Lien Debt Service Reserve Account provisions of the Original Indenture, the provisions of this Section shall govern operation of the Series 2020A Senior Lien Debt Service Reserve Subaccount with respect to the Series 2020A Bonds.

(b) The Debt Service Reserve Account Policy (Series 2020A) shall be provided in an amount equal to the Reserve Requirement for the Series 2020A Bonds. Any proceeds received from the Debt Service Reserve Account Policy (Series 2020A) shall be

deposited into the Series 2020A Senior Lien Debt Service Reserve Subaccount and applied as provided in **Article Five** of the Original Indenture to pay principal and interest only on the Series 2020A Bonds, pro rata based on the Debt Service Requirements then due with respect to the Series 2020A Bonds.

(c) In the event that one or more drawings are made upon the Debt Service Reserve Account Policy (Series 2020A), the Debt Service Reserve Account Policy (Series 2020A) Credit Provider shall be paid its fees and expenses as provided in the Debt Service Reserve Account Policy Agreement (Series 2020A), but solely out of the Revenues and the Special Revenues in the manner and at the times provided in **Article Five** of the Original Indenture (including, in particular, **Section 5.4(a)(3)** and **Section 5.2(e)** thereof).

Section 6.5. Series 2020A Rebate Subaccount.

Amounts shall be deposited to the Rebate Account upon the written direction of the Issuer as provided in **Sections 5.2** and **5.3**. The Rebate Account shall be applied for payment of any Rebate Amount on the Series 2020A Bonds. If the Issuer directs the Trustee to make payments from the Rebate Account on any date and the amounts therein are insufficient to make such payments, the Trustee shall apply amounts in the Rebate Account pro rata based on the Outstanding aggregate principal amount of the Series 2020A Bonds at the time of calculation.

Section 6.6. Series 2020A Policy Payments Account.

Any payments under the Bond Insurance Policy (Series 2020A) must be deposited to the Series 2020A Policy Payments Account to pay principal of and interest on the Insured Series 2020A Bonds to the Owners thereof when due, and for no other purpose as provided in **Article Seven**.

[Remainder of This Page Intentionally Left Blank]

ARTICLE SEVEN

PAYMENTS UNDER THE BOND INSURANCE POLICY (SERIES 2020A)

So long as the Series 2020A Credit Provider is not in default under the Bond Insurance Policy (Series 2020A), the provisions of this Article Seven shall be controlling, notwithstanding anything herein or in the Indenture to the contrary, and further provided that at all times the Series 2020A Credit Provider shall retain its right of subrogation as provided herein.

Section 7.1. *Payments Under Bond Insurance Policy (Series 2020A).*

(a) If, on the third Business Day prior to the Payment Date on the Insured Series 2020A Bonds, there is not on deposit with the Trustee, after the Trustee will have made all transfers and deposits required under the Indenture (particularly **Section 5.6** of the Original Indenture), moneys sufficient to pay the principal and interest on the Insured Series 2020A Bonds due on such Payment Date, the Trustee shall give notice to the Series 2020A Credit Provider and to its designated agent (if any) (the “Insurer’s Fiscal Agent”) by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Insured Series 2020A Bonds due on such Payment Date, the Trustee shall make a claim under the Bond Insurance Policy (Series 2020A) and give notice to the Series 2020A Credit Provider and the Insurer’s Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Insured Series 2020A Bonds and the amount required to pay principal of the Insured Series 2020A Bonds, confirmed in writing to the Series 2020A Credit Provider and the Insurer’s Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Bond Insurance Policy (Series 2020A).

(b) The Trustee shall designate any portion of payment of principal on Insured Series 2020A Bonds paid by the Series 2020A Credit Provider, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured Series 2020A Bonds registered to the then current Owner, whether the Depository or its nominee or otherwise, and the Issuer shall issue, and the Trustee shall authenticate a replacement Insured Series 2020A Bond (or register such principal amount with the Depository) or in the name of the Series 2020A Credit Provider, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Issuer’s or the Trustee’s failure or inability to so designate any payment or issue any replacement Insured Series 2020A Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Insured Series 2020A Bond or the subrogation rights of the Series 2020A Credit Provider.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the Series 2020A Credit Provider into the Series 2020A Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Insured

Series 2020A Bond. The Series 2020A Credit Provider shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Notwithstanding **Section 5.5(g)(2)** of the Original Indenture, upon payment of a claim under the Bond Insurance Policy (Series 2020A), the Trustee shall establish a separate special purpose trust account for the benefit of Bondowners referred to herein as the “Series 2020A Policy Payments Account” and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Bond Insurance Policy (Series 2020A) in trust on behalf of Bondowners and shall deposit any such amount in the Series 2020A Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners in the same manner as principal and interest payments are to be made with respect to the Insured Series 2020A Bonds under the sections hereof regarding payment of Insured Series 2020A Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Issuer agrees to pay to the Series 2020A Credit Provider (i) a sum equal to the total of all amounts paid by the Series 2020A Credit Provider under the Bond Insurance Policy (Series 2020A) (the “Insurer Advances”); and (ii) interest on such Insurer Advances from the date paid by the Series 2020A Credit Provider until payment thereof in full, payable to the Series 2020A Credit Provider at the Late Payment Rate per annum, less, if any such Insurer Advances represent payments of principal on the Insured Series 2020A Bonds, the amount of interest on the Insured Series 2020A Bonds actually received by the Series 2020A Credit Provider as Bondowner (collectively, the “Insurer Reimbursement Amounts”). “Late Payment Rate” means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Insured Series 2020A Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days, and if paid to the Series 2020A Credit Provider as interest on Insurer Advances of principal on the Insured Series 2020A Bonds, will constitute payments of interest on the Insured Series 2020A Bonds to the extent interest has not otherwise been paid. The Issuer hereby covenants and agrees that the Insurer Reimbursement Amounts are secured by a lien on and pledge of the Trust Estate and payable from such Trust Estate on a parity with debt service due on the Insured Series 2020A Bonds. The Issuer further covenants with the Series 2020A Credit Provider and the Trustee that it will not take any action that would cause the Hotel Occupancy Tax and Vehicle Rental Tax not to be imposed while the Insured Series 2020A Bonds remain Outstanding.

(e) Funds held in the Series 2020A Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Series 2020A Policy Payments Account following a Bond Payment Date shall promptly be remitted to the Series 2020A Credit Provider.

(f) The Series 2020A Credit Provider shall, to the extent it makes any payment of principal of or interest on the Insured Series 2020A Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Bond Insurance Policy

(Series 2020A) (which subrogation rights shall also include the rights of any such recipients in connection with any insolvency proceeding under the Indenture and the Insured Series 2020A Bonds). Each obligation of the Issuer to the Series 2020A Credit Provider under the Corresponding Agreements shall survive discharge or termination of the Corresponding Agreements.

(g) As Bond Service Charges, the Issuer shall pay or reimburse the Series 2020A Credit Provider any and all charges, fees, costs and expenses that the Series 2020A Credit Provider may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in any Corresponding Agreements; (ii) the pursuit of any remedies under the Indenture or any other Corresponding Agreement or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture or any other Corresponding Agreement whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Indenture or any other Corresponding Agreement or the transactions contemplated thereby, other than costs resulting from the failure of the Series 2020A Credit Provider to honor its obligations under the Bond Insurance Policy (Series 2020A). The Series 2020A Credit Provider reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture or any other Corresponding Agreement.

(h) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Issuer or rebate only after the payment of past due and current debt service on the Insured Series 2020A Bonds and amounts required to restore the Series 2020A Senior Lien Debt Service Reserve Subaccount to the Reserve Requirement.

(i) The Series 2020A Credit Provider shall be entitled to pay principal or interest on the Insured Series 2020A Bonds that shall become Due for Payment (as defined in the Bond Insurance Policy (Series 2020A) but shall be unpaid by reason of Nonpayment (as defined in the Bond Insurance Policy (Series 2020A)) by the Issuer, whether or not the Series 2020A Credit Provider has received a Notice of Nonpayment (as such terms are defined in the Bond Insurance Policy (Series 2020A)) or a claim upon the Bond Insurance Policy (Series 2020A).

(j) The Series 2020A Credit Provider shall be deemed to be the sole holder of the Insured Series 2020A Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Insured Series 2020A Bonds insured by it are entitled to take pursuant to the Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Indenture and each Bond, the Trustee and each Bondowner appoint the Series 2020A Credit Provider as their agent and attorney-in-fact and agree that the Series 2020A Credit Provider may at any time during the continuation of any proceeding by or against the Issuer under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters with respect to the Insured Series 2020A Bonds relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding with respect to the Insured Series 2020A Bonds (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or

reject any plan of adjustment. In addition, the Trustee and each Bondowner delegate and assign to the Series 2020A Credit Provider, to the fullest extent permitted by law, the rights of the Trustee and each Bondowner in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. Remedies granted to the Bondowners shall expressly include mandamus.

(k) Amounts paid by the Series 2020A Credit Provider under the Bond Insurance Policy (Series 2020A) shall not be deemed paid for purposes of the Indenture and the Insured Series 2020A Bonds relating to such payments shall remain outstanding and continue to be due and owing until paid by the Issuer in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the Series 2020A Credit Provider have been paid in full or duly provided for.

(l) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Twenty-Eighth Supplemental Indenture or the Indenture would adversely affect the security for the Bonds or the rights of the Bondowners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Bond Insurance Policy (Series 2020A).

Section 7.2. Notices.

(a) The notice address of the Series 2020A Credit Provider is: Assured Guaranty Municipal Corp., 1633 Broadway, 23rd Floor, New York, New York 10019, Attention: Managing Director – Surveillance, Re: Policy No. 220594-N, Telephone: (212) 974-0100; Telecopier: (212) 339-3556. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

(b) All information furnished pursuant to the Issuer's continuing disclosure undertaking in **Article Nine** shall also be provided to the Series 2020A Credit Provider, simultaneously with the furnishing of such information to EMMA.

[Remainder of This Page Intentionally Left Blank]

ARTICLE EIGHT

DEBT SERVICE RESERVE ACCOUNT POLICY (*SERIES 2020A*)

So long as the Debt Service Reserve Account Policy (Series 2020A) Credit Provider is not in default under the Debt Service Reserve Account Policy (Series 2020A), the provisions of this Article Eight shall be controlling, notwithstanding anything herein or in the Indenture to the contrary, and further provided that at all times the Debt Service Reserve Account Policy (Series 2020A) Credit Provider shall retain its right of subrogation as provided herein

Section 8.1. *The Debt Service Reserve Account Policy (Series 2020A).*

(a) The Issuer shall repay any draws under the Debt Service Reserve Account Policy (Series 2020A) and pay all related reasonable expenses incurred by the Debt Service Reserve Account Policy (Series 2020A) Credit Provider and shall pay interest thereon from the date of payment by the Debt Service Reserve Account Policy (Series 2020A) Credit Provider at the Reserve Policy Late Payment Rate. The “Reserve Policy Late Payment Rate” means the lesser of (x) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate solely (the “Reserve Policy Prime Rate”) (any change in such Reserve Policy Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 5%, and (ii) 12% per annum rate of interest and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Reserve Policy Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its prime or base lending rate publicly, the Reserve Policy Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the Debt Service Reserve Account Policy (Series 2020A) Credit Provider shall specify. If the interest provisions of this subparagraph (a) shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the Debt Service Reserve Account Policy (Series 2020A) Credit Provider, with the same force and effect as if the Issuer had specifically designated such extra sums to be so applied and the Debt Service Reserve Account Policy (Series 2020A) Credit Provider had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

Repayment of draws and payment of expenses and accrued interest thereon at the Reserve Policy Late Payment Rate (collectively, “Policy Costs”) shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to the Debt Service Reserve Account Policy (Series 2020A) Credit Provider shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Debt Service Reserve Account Policy (Series 2020A) Credit Provider on account of principal due, the coverage under the Debt Service Reserve Account Policy (Series 2020A) will be increased by a like amount, subject to the terms of the Debt Service Reserve Account Policy (Series 2020A). The obligation to pay Policy Costs shall be secured by a valid lien on all revenues and other collateral pledged as security for the Series 2020A Bonds (subject only to the priority of payment provisions set forth under the Indenture).

All cash and investments in the Series 2020A Senior Lien Debt Service Reserve Subaccount shall be transferred, first, to the Series 2020A Senior Lien Interest Subaccount to pay all interest due, and second, to the Series 2020A Senior Lien Principal Subaccount, for payment of principal on the Series 2020A Bonds before any drawing may be made on the Debt Service Reserve Account Policy (Series 2020A) or any other credit facility credited to the Series 2020A Senior Lien Debt Service Reserve Subaccount in lieu of cash (“Reserve Credit Facility”). Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Reserve Credit Facilities (including the Debt Service Reserve Account Policy (Series 2020A)) on which there is Available Coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Series 2020A Senior Lien Debt Service Reserve Subaccount. Payment of Policy Costs and reimbursement of amounts with respect to other Reserve Credit Facilities shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Series 2020A Senior Lien Debt Service Reserve Subaccount. For the avoidance of doubt, “Available Coverage” means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of subparagraph (a) hereof, the Debt Service Reserve Account Policy (Series 2020A) Credit Provider shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Indenture other than remedies which would adversely affect Owners of the Series 2020A Bonds.

(c) The Indenture shall not be discharged until all Policy Costs owing to the Debt Service Reserve Account Policy (Series 2020A) Credit Provider shall have been paid in full. The Issuer's obligation to pay such amounts shall expressly survive payment in full of the Series 2020A Bonds.

(d) The Issuer shall include any Policy Costs then due and owing the Debt Service Reserve Account Policy (Series 2020A) Credit Provider in the calculation of the additional bonds test and the rate covenant, as applicable, in the Indenture.

(e) The Trustee shall ascertain the necessity for a claim upon the Debt Service Reserve Account Policy (Series 2020A) in accordance with the provisions of subparagraph (a) hereof and to provide notice to the Debt Service Reserve Account Policy (Series 2020A) Credit Provider in accordance with the terms of the Debt Service Reserve Account Policy (Series

2020A) at least five business days prior to each date upon which interest or principal is due on the Series 2020A Bonds. Where deposits are required to be made by the Issuer with the Trustee to the Series 2020A Senior Lien Debt Service Reserve Subaccount more often than semi-annually, the Trustee shall give notice to Debt Service Reserve Account Policy (Series 2020A) Credit Provider of any failure of the Issuer to make timely payment in full of such deposits within two business days of the date due.

(f) The Trustee shall draw on the Debt Service Reserve Account Policy (Series 2020A) in accordance with its terms as provided in **Section 5.6** of the Original Indenture.

[Remainder of This Page Intentionally Left Blank]

ARTICLE NINE

CONTINUING DISCLOSURE UNDERTAKING

Section 9.1. *Annual Reports.*

The Issuer shall provide annually to the MSRB, within six months after the end of each fiscal year ending in or after 2020, financial information and operating data with respect to the Issuer of the general type included in the final Official Statement for the Series 2020A Bonds, being the information described in *Exhibit C* hereto.

Any financial statements so to be provided shall be (1) prepared in accordance with generally accepted accounting principles currently in effect for governmental units as prescribed by the Government Accounting Standards Board, which principles are subject to change from time to time to comply with state law or regulation, and (2) audited. If audited financial statements for the Issuer are not available within such period, then the Issuer shall provide unaudited financial statements for the applicable fiscal year to the MSRB, and audited financial statements, when and if audited financial statements become available.

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

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available from the MSRB or filed with the SEC, or may be provided in any other manner consistent with the Rule.

Section 9.2. *Material Event Notices.*

The Issuer shall notify the MSRB, in a timely manner, not in excess of 10 business days after the occurrence of the event, notice of any of the following events with respect to the Series 2020A Bonds:

- (a) Principal and interest payment delinquencies;
- (b) Non-payment related defaults, if material;
- (c) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) Substitution of credit or liquidity providers, or their failure to perform;
- (f) Adverse tax opinions the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the

Series 2020A Bonds or other material events affecting the tax status of the Series 2020A Bonds;

- (g) Modifications to rights of holders of the Series 2020A Bonds, if material;
- (h) Series 2020A Bond calls, if material, and tender offers;
- (i) Defeasances;
- (j) Release, substitution, or sale of property securing repayment of the Series 2020A Bonds, if material;
- (k) Rating changes;
- (l) Bankruptcy, insolvency, receivership or similar event of the Issuer;
- (m) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) Incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material; and
- (p) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the Issuer, any of which reflect financial difficulties.

The Issuer shall notify the MSRB in an electronic form prescribed by the MSRB, in a timely manner, of any failure by the Issuer to provide financial information or operating data in accordance with **Section 9.1** by the time required by such Section. All documents provided to the MSRB shall be accompanied by identifying information, as prescribed by the MSRB.

For these purposes, (1) any event described in the immediately preceding paragraph (l) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of the Issuer in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer, and (2) the Issuer intends the words used in the immediately preceding paragraphs (o) and (p) and the definition of

Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

Section 9.3. *Limitations, Disclaimers, and Amendments.*

The Issuer shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the Issuer remains an “obligated person” with respect to the Series 2020A Bonds within the meaning of the Rule, except that the Issuer in any event will give the notice required by **Section 9.2** of any calls for redemption and defeasance that cause the Issuer to be no longer such an “obligated person.”

The notices and information required to be provided by the Issuer pursuant to **Section 9.1** or **Section 9.2** will be provided in an electronic format or in such other format as required by the MSRB or the SEC, and shall be accompanied by such identifying information as required by the MSRB or the SEC.

The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Series 2020A Bonds, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other Person. The Issuer undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Issuer’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The Issuer 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 ISSUER BE LIABLE TO THE 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 ISSUER, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

No default by the Issuer in observing or performing its obligations under this Article shall constitute a breach of or default under the Indenture for purposes of any other provision of the Indenture.

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

The provisions of this Article may be amended by the Issuer and the Issuer 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 or businesses of the Issuer, but only if (1) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Series 2020A Bonds in the primary offering of the Series 2020A

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 (2) either (a) the Owners of a majority in aggregate principal amount of the Outstanding Series 2020A Bonds consent to such amendment or (b) a Person that is unaffiliated with the Issuer (such as nationally recognized Bond Counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Series 2020A Bonds. If the Issuer so amends the provisions of this Article, the Issuer shall include with any amended financial information or operating data next provided in accordance with **Section 9.1** 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 Issuer may also repeal or amend the provisions of this Article 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, and the Issuer also may amend the provisions of this Article in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Series 2020A Bonds in the primary offering of the Series 2020A Bonds. The Trustee shall execute any amendment to the provisions of this Article permitted by the terms of this Section upon written request of the Issuer.

The Trustee shall not be responsible for making any filings or monitoring compliance with obligations of the Issuer under this Article.

[Remainder of This Page Intentionally Left Blank]

ARTICLE TEN

PLEDGE TO TRUST ESTATE

Section 10.1. *Team Payments Pledged to Trust Estate.*

The Issuer hereby expressly grants, mortgages, grants a security interest in, collaterally assigns, transfers in trust, and pledges to the Trustee on a parity with the pledge of any other Senior Lien Bonds Outstanding from time to time, as part of the Trust Estate the Team Payments (as defined in the Original Indenture) for all purposes under the Indenture, including, in the event of the Issuer's failure to do so, the right of the Issuer to enforce timely imposition and collection of all Team Payments, but solely with respect to the Series 2020A Bonds, which Team Payments shall be Special Revenues with respect to such Series 2020A Bonds as provided in the Original Indenture, and which Special Revenues the Issuer has granted, mortgaged, granted a security interest in, collaterally assigned, transferred in trust, and pledged to the Trustee as part of Granting Clause Fourth in the Original Indenture, provided that such pledge of the Team Payments is limited to the Allowed Special Revenue Amount (as defined in the Original Indenture).

[Remainder of This Page Intentionally Left Blank]

ARTICLE ELEVEN

MISCELLANEOUS PROVISIONS

Section 11.1. *Defaults and Remedies.*

An Event of Default for Senior Lien Bonds under *Article Ten* of the Original Indenture shall be an event of default under this Twenty-Eighth Supplemental Indenture upon expiration of the notice and cure periods provided for in the Original Indenture. Upon the occurrence of an event of default under this Twenty-Eighth Supplemental Indenture, the Trustee shall be entitled to exercise the same remedies, upon the same conditions, and subject to the same restrictions and limitations, as provided for in *Article Ten* of the Original Indenture.

Section 11.2. *The Trustee and Paying Agent.*

The Trustee, as defined in the Original Indenture, is hereby appointed as the Trustee, Bond Registrar, and the Paying Agent, as defined in the Original Indenture, for the Series 2020A Bonds, such appointments being pursuant to, and in all respects consistent with, the provisions of *Article Eleven* of the Original Indenture.

Section 11.3. *Amendments to the Indenture.*

Notwithstanding anything in the Indenture, if any provision of the Indenture, any Supplemental Indenture (including this Twenty-Eighth Supplemental Indenture), or any related document may be amended with the approval of the Owners of a majority in the aggregate principal amount of the then Outstanding Series 2020A Bonds, provided that the Series 2020A Credit Provider is not otherwise in default in its obligations under the Bond Insurance Policy (Series 2020A), such Series 2020A Credit Provider shall have the right to approve such amendment, change or modification as if such Series 2020A Credit Provider were the Owners of a majority in the aggregate principal amount of the then Outstanding Series 2020A Bonds.

Provided that the Series 2020A Credit Provider is not otherwise in default with respect to its payment obligations under the Bond Insurance Policy (Series 2020A), no amendment to the Indenture affecting the rights or interests of the Owners of the Series 2020A Bonds or of the Series 2020A Credit Provider shall be made without the consent of the Series 2020A Credit Provider.

The Trustee may rely on the opinion of Independent Counsel as to whether any amendment affects Bondowners or the Series 2020A Credit Provider.

Section 11.4. *Severability.*

If any provision of this Twenty-Eighth Supplemental Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions or in all cases because it conflicts with any other provisions of any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or

unenforceable in any other case or circumstance, or of rendering any other provisions herein contained invalid, inoperative of unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or paragraphs in this Twenty-Eighth Supplemental Indenture contained shall not affect the remaining portions of this Twenty-Eighth Supplemental Indenture or any part thereof.

Section 11.5. *Notices.*

Except as otherwise specifically provided herein, notices shall be given in accordance with **Section 14.5** of the Original Indenture.

Section 11.6. *Counterparts.*

This Twenty-Eighth Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Remainder of This Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Issuer has caused these presents to be signed in its name on its behalf by the Chair of the Governing Body and the Secretary of the Governing Body and to evidence its acceptance of the trusts hereby created the Trustee has caused these presents to be signed in its name and behalf by its duly authorized officers, all as of the October 1, 2020.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

By  _____
Chair

By _____
Secretary

UMB BANK, NATIONAL ASSOCIATION,
as Trustee

By _____
Its _____

IN WITNESS WHEREOF, ~~the~~ Issuer ~~has~~ caused ~~these~~ presents to be signed in its name on its behalf by the Chair of the Governing Body and the Secretary of the Governing Body and to evidence its acceptance of the trusts hereby created ~~the~~ Trustee has caused these presents to be signed in its name and behalf by its duly authorized officers, all as of the
October 1, 2020.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

By _____

Chair

By *David G. Muir*

Secretary

UMB BANK, NATIONAL ASSOCIATION,
as Trustee

By *Patricia M. Peters*

Its

Vice President

EXHIBIT A

FORM OF SERIES 2020A BOND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the 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.

No. _____

\$ _____

UNITED STATES OF AMERICA
HARRIS COUNTY-HOUSTON SPORTS AUTHORITY
SENIOR LIEN REVENUE REFUNDING BOND, SERIES 2020A

Interest Rate:

Maturity Date: November 15, _____

Dated Date: October 1, 2020

CUSIP:

Registered Owner: Cede & Co.

Principal Amount: _____

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, created and existing under the laws of the State of Texas (herein, the “Issuer”), hereby acknowledges itself to owe and for value received promises to pay, but solely out of the Revenues, Special Revenues, and other amounts duly pledged pursuant to the Indenture described below, to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above (unless this Series 2020A Bond shall have been called for redemption as provided in the Indenture, in which case on the applicable Redemption Date), the Principal Amount identified above and to pay interest (computed upon the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the delivery date of this Series 2020A Bond, or from the most recent Interest Payment Date to which interest has been paid at the Interest Rate per annum set forth above on May 15 and November 15 of each year commencing May 15, 2021, until said Principal Amount is paid. The Series 2020A Bonds are issuable only in fully registered form in principal denominations of \$5,000 or integral multiples thereof as permitted in the Indenture.

The principal of this Series 2020A Bond is payable at the corporate trust office of UMB Bank, National Association (together with any successor paying agent under the Indenture as herein defined, the “Paying Agent”) in Kansas City, Missouri, or such other place of payment as may be designated by the Issuer. Interest on this Series 2020A Bond shall be paid by check of the Paying Agent mailed to the person who as of the “Record Date” as herein defined is the Registered Owner of this Series 2020A Bond. “Record Date” shall mean with respect to any Interest Payment Date, (i) the last day of the month (whether or not a Business Day) preceding the month in which such Interest Payment Date occurs or (ii) if the Issuer shall be in default in payment of interest due on such Interest Payment Date, a Special Record Date for the payment of such defaulted interest established by notice mailed by the Trustee on behalf of the Issuer; notice of such Special Record Date shall be mailed not less than 10 days preceding such Special Record Date, to the Owner at the close of business on the fifth Business Day preceding the date of mailing.

This Series 2020A Bond is one of a duly authorized Series of \$52,035,000 aggregate original principal amount of the Issuer’s Senior Lien Revenue Refunding Bonds, Series 2020A (the “Series 2020A Bonds”) issued pursuant to a Fourth Amended and Restated Indenture of Trust dated as of August 15, 1998, as amended and restated on May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014 (the “Original Indenture”), as supplemented and amended by supplemental indentures, including that certain Twenty-Eighth Supplemental Indenture of Trust dated as of October 1, 2020 (the “Twenty-Eighth Supplemental Indenture”), each of which is by and between the Issuer and UMB Bank, National Association (the “Trustee”). The Original Indenture as so supplemented and amended and as further supplemented and amended from time to time is herein referred to as the “Indenture.” Terms not herein defined shall have the meanings given thereto in the Indenture.

With respect to the pledge of the Trust Estate (hereinafter described) under the Original Indenture, the Series 2020A Bonds are issued on a parity with the Issuer’s Senior Lien Bonds.

This Series 2020A Bond is issued as a Current Interest Bond and as a Tax-Exempt Bond, as defined in the Indenture. The Series 2020A Bonds are being issued by the Issuer for the purpose of providing funds (in addition to funds to pay certain costs of issuance of the Series 2020A Bonds) to refund certain of the Issuer’s outstanding obligations all as generally authorized under and described in the Act of May 20, 1997, 75th Leg., R.S., ch.551, 1997 Tex. Gen. & Spec. Laws 1929, including specifically those provisions thereof codified as Texas Local Government Code chapters 334 and 335, Texas Government Code chapter 1371, and Texas Government Code chapter 1207, all as now or hereafter amended (the “Enabling Act”), and all under and pursuant to the Enabling Act and the Indenture. Reference is hereby made to the Indenture for a more complete description of the nature and extent of the security, the rights of the holders of the Series 2020A Bonds and the terms and conditions upon which this Series 2020A Bond has been issued and future additional bonds on a parity therewith (“Additional Senior Lien Bonds”) or subordinate hereto, including Second Lien Bonds and Junior Lien Bonds, are to be issued and secured, all the provisions of which Indenture each holder by the acceptance hereof assents.

This Series 2020A Bond and the Series of which it is a part, together with the Outstanding Senior Lien Bonds and such Additional Bonds as may be issued under the

provisions of the Indenture, are payable from and secured by a pledge of the Trust Estate under the Indenture, including the Revenues and Special Revenues as defined in the Indenture, which Revenues include amounts received by the Issuer or the Trustee from the Hotel Occupancy Tax and the Vehicle Rental Tax. All of the Series 2020A Bonds, the Outstanding Senior Lien Bonds, and any Additional Senior Lien Bonds (together sometimes referred to as the “Senior Lien Bonds”) are equally and ratably secured by the pledge described in the Indenture without priority or preference of one over the other by reason of series designation, denomination, number, maturity, date or terms of redemption prior to maturity, date of sale or delivery or otherwise except as provided to the contrary as permitted by the Indenture and as provided in any Supplemental Indenture.

The Series 2020A Bonds are subject to redemption prior to maturity on or after November 15, 2030 at the option of the Issuer, in whole or from time to time in part in authorized denominations and if in part by maturities or portions thereof designated by the Issuer (less than all of a single maturity of such Series 2020A Bonds to be selected by lot in such manner as may be designated by the Trustee), at the principal amount of such Series 2020A Bonds to be redeemed plus accrued interest thereon from the most recent Interest Payment Date to the date of redemption.

The Series 2020A Bonds which are subject to optional redemption may be called for optional redemption pursuant to the Indenture upon receipt by the Trustee at least 45 days prior to the redemption date of written notice from the Issuer to the effect that the Issuer has elected to redeem any such Bonds in a specified amount on a redemption date permitted under the Indenture and that on or before such redemption date that the Issuer shall deposit with the Trustee an amount of funds sufficient to pay the redemption price of such Bonds in full. Such notice shall specify the principal amount of the Series 2020A Bonds so to be called for redemption, the applicable redemption price or prices and the provision or provisions above specified pursuant to which such Series 2020A Bonds are to be called for redemption.

The Series 2020A Bonds maturing on November 15, 2056 are Term Bonds within the meaning of the Indenture and shall be subject to Mandatory Sinking Fund Payments and redemption by lot in such manner as may be designated by the Trustee in principal increments of \$5,000, at par and accrued interest from the most recent Interest Payment Date without premium, on each November 15 in the years and amounts as follows:

Series 2020A Bonds maturing on November 15, 2056

Payment Dates (November 15)	Mandatory Sinking Fund Payments
2054	\$16,815,000
2055	17,340,000
2056 (stated maturity)	17,880,000

If Series 2020A Bonds are redeemed at the direction of the Issuer as described in the second and third preceding paragraphs, or are purchased by the Issuer and delivered to the Trustee for cancellation, the Series 2020A Bonds so optionally redeemed or purchased may, at the option of the Issuer, be applied as a credit against any Mandatory Sinking Fund Payment with respect to such Series 2020A Bonds otherwise to be redeemed thereby, such credit to be

equal to the principal amount of such Series 2020A Bonds redeemed, provided that the Issuer shall have delivered to the Trustee not less than 45 days prior to such redemption date written notice stating its election to apply such Series 2020A Bonds as such a credit. In such case, the Trustee shall reduce the amount of Series 2020A Bonds to be redeemed on the Mandatory Sinking Fund Payment Date specified in such Issuer notice by the principal amount of Series 2020A Bonds so redeemed. Any credit given to Mandatory Sinking Fund Payments shall not affect any other Mandatory Sinking Fund Payments, which shall remain payable as otherwise provided herein, unless and until another credit is given in accordance with the provisions hereof.

Notice of any redemption will be mailed at least 30 days before the redemption date to each holder of the Series 2020A Bonds to be redeemed. Unless the Issuer defaults in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Series 2020A Bonds or portions thereof called for redemption.

All or any portion of the Series 2020A Bonds are subject to defeasance of the Indenture by the deposit with the Trustee of either cash or Defeasance Securities as provided in the Indenture. Upon compliance with the provisions of the Indenture for such purposes, such Series 2020A Bonds shall be deemed to have been paid and the lien created by the Indenture shall thereupon cease, terminate and become void.

Under certain circumstances the Indenture permits the Issuer and the Trustee to supplement or amend the Indenture without the consent of Owners of the Bonds. Certain other amendments or supplements to the Indenture require the written consent of the Owners of a majority of the aggregate principal amount of the Series of Outstanding Bonds affected thereby or, in certain instances, the written consent of one or more Credit Providers who have issued a Credit Facility with respect to a Series of Outstanding Bonds.

This Series 2020A Bond does not constitute an obligation of the State of Texas, Harris County, Texas, or the City of Houston, Texas within the meaning or application of any Constitutional or statutory limitation or provision, and the holder hereof shall never have the right to demand payment of this Series 2020A Bond or interest hereon out of any funds other than the Revenues, Special Revenues, and other moneys pledged for payment hereof under the Indenture.

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Series 2020A Bond exist, have happened, been done and performed in regular and due form and time as required by law; and that the amount of this Series 2020A Bond and the authorized issue of Bonds of which it is one and the total authorized issue of Bonds of which this Series is a part do not exceed any limit prescribed by the Constitution or statutes of the State of Texas.

This Series 2020A Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been manually signed by the Trustee, or a registration certificate shall have been manually signed by the Comptroller of Public Accounts of the State of Texas.

IN WITNESS WHEREOF, the HARRIS COUNTY-HOUSTON SPORTS AUTHORITY has caused this Series 2020A Bond to be signed by the signatures of the Chair and Secretary of said Authority, all as of the Dated Date identified above.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

By: _____
Chair

Attest: _____
Secretary

CERTIFICATE OF AUTHENTICATION*

This Series 2020A Bond is one of the Series 2020A Bonds described in the within-mentioned Indenture, a predecessor Bond of which has been approved by the Attorney General of the State of Texas and registered with the Comptroller of Public Accounts.

Date of Authentication:

UMB BANK, NATIONAL
ASSOCIATION,
as Trustee

By: _____
Authorized Signatory

*To be printed on Definitive Bonds

**REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS****

OFFICE OF THE COMPTROLLER §
OF PUBLIC ACCOUNTS

§
§
§

REGISTER NO.

THE STATE OF TEXAS

I HEREBY CERTIFY that this Series 2020A Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this

Comptroller of Public Accounts
of the State of Texas

(SEAL)

**To be printed on Initial Bonds

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 Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney to transfer the within Bond on the books kept for registration thereof, with full power of
substitution in the premises.

DATED:

Signature guaranteed:
.....

.....
NOTICE: The signature on this
assignment must correspond with the
name of the registered owner as it
appears on the face of the within
Bond in every particular.

STATEMENT OF INSURANCE

Assured Guaranty Municipal Corp. (“AGM”), New York, New York, has delivered its municipal bond insurance policy (the “Policy”) with respect to the scheduled payments due of principal of and interest on the Insured Series 2020A Bonds, to UMB Bank, National Association, a national banking association with a payment office in Kansas City, Missouri, or its successor, as paying agent for the Series 2020A Bonds (the “Paying Agent”). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from AGM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Series 2020A Bond acknowledges and consents to the subrogation rights of AGM as more fully set forth in the Policy.

EXHIBIT B

REQUISITION CERTIFICATE

To: UMB Bank, National Association, as Trustee
1670 Broadway
Denver, Colorado 80202
Telecopy: (303) 764-3699

Date:

The undersigned, being the duly authorized Issuer Representatives of the Harris County - Houston Sports Authority (the "Issuer"), does hereby requisition from the Series 2020A Costs of Issuance Subaccount held by the Trustee pursuant to that certain Twenty-Eighth Supplemental Indenture dated as of October 1, 2020, by and between the Issuer and the Trustee, the amount of \$_____, to be paid to the following Persons in the following amounts as Costs of Issuance arising from the Series 2020A Bonds or as the premiums due for the Bond Insurance Policy (Series 2020A) or for the Debt Service Reserve Account Policy (Series 2020A):

<u>Payee</u>	<u>Amount</u>
[designated payee, including appropriate payment instructions]	

Harris County - Houston Sports Authority

By _____
Issuer Representative

EXHIBIT C
SCHEDULE OF CONTINUING DISCLOSURE
INFORMATION

The financial information included in the Official Statement for the Series 2020A Bonds under the following captions will be updated pursuant to *Section 9.1*:

1. “DESCRIPTION OF PLEDGED REVENUES - SCHEDULE 2 – Historical Revenues”
2. “DESCRIPTION OF PLEDGED REVENUES - SCHEDULE 3 – Top Ten HOT Taxpayers for Fiscal Year 2019”
3. “SPORTS AUTHORITY DEBT SERVICE SCHEDULE”
4. “MANAGEMENT AND ORGANIZATION OF SPORTS AUTHORITY – Schedule 4 – Sports Authority 2020 Budget”
5. “APPENDIX B – AUDITED FINANCIAL STATEMENTS”

EXHIBIT D

SCHEDULE OF SERIES 2020A REFUNDED BONDS

Series 2020A Refunded Bonds (Tendered Bonds Purchased by the Authority)

Series	Stated Maturity	Original Principal Amount	CAB Maturity Amount	Interest Rate
Senior Lien Revenue Refunding Bonds, Series 2001A (CABs)	11/15/2021	\$ 120,443.40	\$ 395,000.00	5.880%
	11/15/2038 (Term)	66,406.90	665,000.00	6.240%
	11/15/2040 (Term)	202,354.00	2,300,000.00	6.250%
Senior Lien Revenue Refunding Bonds, Series 2014A (CIBs)	11/15/2021	12,995,000.00		5.000%
	11/15/2022	11,695,000.00		5.000%
	11/15/2023	11,690,000.00		5.000%
Second Lien Revenue Refunding Bonds, Series 2014C (CIBs)	11/15/2021	1,940,000.00		5.000%
	11/15/2022	1,675,000.00		5.000%

EXHIBIT B-2

TWENTY-NINTH SUPPLEMENTAL INDENTURE

(see Tab 6)

HARRIS COUNTY-HOUSTON SPORTS
AUTHORITY

AND

UMB BANK, NATIONAL ASSOCIATION

AS

TRUSTEE

TWENTY-NINTH SUPPLEMENTAL INDENTURE OF TRUST

Dated as of October 1, 2020

\$34,265,000
TAXABLE SENIOR LIEN REVENUE REFUNDING BONDS
SERIES 2020B

TABLE OF CONTENTS

	<u>Page</u>
PARTIES	1
RECITALS	1
GRANTING CLAUSES	1
 ARTICLE ONE	
Section 1.1. Definitions Generally	4
Section 1.2. Additional Definitions Applicable to this Twenty-Ninth Supplemental Indenture	4
Section 1.3. Rules of Interpretation.	7
 ARTICLE TWO	
Section 2.1. Authorized Amount and Form of Series 2020B Bonds, Purpose	8
Section 2.2. Terms of the Series 2020B Bonds	8
Section 2.3. Additional Terms for Series 2020B Bonds	9
Section 2.4. Delivery of Series 2020B Bonds	9
 ARTICLE THREE	
Section 3.1. Optional and Mandatory Redemption	11
Section 3.2. Partial Redemption of Series 2020B Bonds	11
Section 3.3. Procedure for Redemption	11
Section 3.4. Cancellation	11
 ARTICLE FOUR	
Section 4.1. Book-Entry Only System.	12
Section 4.2. Transfers Outside Book-Entry Only System.....	12
Section 4.3. Payments and Notices to Cede & Co.....	13
 ARTICLE FIVE	
Section 5.1. Taxable Bonds.	14
Section 5.2. Optional Payments.....	14
 ARTICLE SIX	
Section 6.1. Establishment of Series 2020B Accounts; Deposit of Series 2020B Bond Proceeds.....	15
Section 6.2. Debt Service Account.....	16
Section 6.3. Series 2020B Costs of Issuance Subaccount.	17
Section 6.4. Senior Lien Debt Service Reserve Account.	18
Section 6.5. Series 2020B Policy Payments Account	18
 ARTICLE SEVEN	
Section 7.1. Payments Under Bond Insurance Policy (Series 2020B).	19
Section 7.2. Notices.	22

ARTICLE EIGHT

Section 8.1. <i>The Debt Service Reserve Account Policy (Series 2020B)</i>	23
----------------------------------------------------------------------------------	----

ARTICLE NINE

Section 9.1. <i>Annual Reports</i>	26
Section 9.2. <i>Material Event Notices</i>	26
Section 9.3. <i>Limitations, Disclaimers, and Amendments</i>	28

ARTICLE TEN

Section 10.1. <i>Team Payments Pledged to Trust Estate.</i>	30
-------------------------------------------------------------------	----

ARTICLE ELEVEN

Section 11.1. <i>Defaults and Remedies.</i>	31
Section 11.2. <i>The Trustee and Paying Agent.</i>	31
Section 11.3. <i>Amendments to the Indenture.</i>	31
Section 11.4. <i>Severability.</i>	31
Section 11.5. <i>Notices.</i>	32
Section 11.6. <i>Counterparts.</i>	32

SIGNATURES

EXHIBIT A	--	FORM OF SERIES 2020B BOND
EXHIBIT B	--	REQUISITION CERTIFICATE
EXHIBIT C	--	SCHEDULE OF CONTINUING DISCLOSURE INFORMATION
EXHIBIT D	--	SCHEDULE OF SERIES 2020B REFUNDED OBLIGATIONS

TWENTY-NINTH SUPPLEMENTAL INDENTURE OF TRUST

THIS TWENTY-NINTH SUPPLEMENTAL INDENTURE OF TRUST (the “*Twenty-Ninth Supplemental Indenture*”) is made and entered into as of October 1, 2020, by and between the HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a political subdivision of Harris County, Texas, Houston, Texas, and the State of Texas duly organized and existing under the Constitution and laws of the State of Texas (the “*Issuer*”), and UMB BANK, NATIONAL ASSOCIATION, a national banking association, authorized to accept and execute trusts of the character herein set out, with a payment office in Kansas City, Missouri (the “*Trustee*”):

W I T N E S S E T H

WHEREAS:

A. The Issuer and the Trustee have heretofore entered into the Original Indenture to provide for the issuance of Bonds and certain other obligations under the Enabling Act to provide funds for the costs related to the Approved Venue Projects and such other purposes as may be permitted under the Enabling Act, and the Original Indenture provides that each Series of Bonds shall be issued as specifically authorized and provided for in a Supplemental Indenture.

B. The Issuer and the Trustee now wish to enter into this Twenty-Ninth Supplemental Indenture to provide for the issuance of the Issuer’s Taxable Senior Lien Revenue Refunding Bonds, Series 2020B, in the original aggregate principal amount of \$34,265,000 (the “*Series 2020B Bonds*”).

C. The Issuer has satisfied all conditions stated in the Original Indenture as prerequisites to the issuance of the Series 2020B Bonds and has done and performed any and all things and adopted all ordinances required under the Indenture and the Enabling Act as preconditions to the issuance of a Series of Bonds as specified therein, and the Series 2020B Bonds are being authorized pursuant to the Enabling Act.

D. All things necessary to make the Series 2020B Bonds, when authenticated by the Trustee and issued as in this Twenty-Ninth Supplemental Indenture provided, valid, binding and legal special limited obligations of the Issuer according to the import thereof, and to constitute the Original Indenture and this Twenty-Ninth Supplemental Indenture valid contracts for the security of the Series 2020B Bonds, have been done and performed; and the creation, execution and delivery of this Twenty-Ninth Supplemental Indenture and the creation, execution and issuance of the Series 2020B Bonds, subject to the terms hereof, have in all respects been duly authorized.

NOW THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS, THIS TWENTY-NINTH SUPPLEMENTAL INDENTURE WITNESSETH:

The Issuer, in consideration of the premises and the acceptance by the Trustee of the trusts created hereby and by the Indenture and of the purchase and acceptance of the Series 2020B Bonds by the Owners thereof, in order to provide a source of payment for and to secure the payment of the principal of, premium, if any, and interest on the Series 2020B Bonds according to their tenor and effect, the payment of all amounts due and owing to the Series 2020B Credit Provider and the Debt Service Reserve Account Policy (Series 2020B) Credit Provider, and the performance and observance by the Issuer of all the covenants expressed or implied in the Indenture and herein and in the Series 2020B Bonds, does hereby grant, mortgage, grant a security interest in, assign, transfer in trust, and pledge to the Trustee, and to its successors in trust, and to them and their assigns forever, the following:

FIRST

All of the Trust Estate as described and pledged pursuant to the Indenture, in accordance with the terms of the Indenture;

SECOND

The Bond Insurance Policy (Series 2020B) and all amounts received thereunder; provided, that the Bond Insurance Policy (Series 2020B) and all amounts received thereunder or in connection therewith shall constitute a source of payment solely and exclusively for the Insured Series 2020B Bonds provided as herein and in such Bond Insurance Policy (Series 2020B), and the amounts received thereunder or in connection therewith shall not be deemed part of the Trust Estate with respect to any other Series of Bonds from time to time Outstanding under the Indenture; and

THIRD

The Debt Service Reserve Account Policy (Series 2020B) and all amounts received thereunder or in connection therewith; provided, that the Debt Service Reserve Account Policy (Series 2020B) and all amounts received thereunder or in connection therewith shall constitute a source of payment solely and exclusively for the Series 2020B Bonds, and the amounts received thereunder or in connection therewith shall not be deemed part of the Trust Estate with respect to any other Series of Bonds from time to time Outstanding under the Indenture;

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby granted and assigned, or agreed or intended so to be, to the Trustee and its successors in trust and to them and their assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all Owners from time to time of the Bonds issued under and secured by the Indenture and the Credit Providers, without privilege, priority or distinction as to lien or otherwise of any of the Bonds over any other Bonds except as otherwise provided in the Original Indenture, any other Supplemental Indenture or herein with respect to certain security or sources of payment for certain of the Series 2020B Bonds, except for those portions of the Trust Estate described in Granting Clauses Second and Third, which shall constitute a source of payment solely and exclusively for the Series 2020B Bonds, and the

amounts received thereunder or in connection therewith shall not be deemed part of the Trust Estate with respect to any other Series of Bonds from time to time Outstanding under the Indenture;

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, or provide fully for payment as herein provided of the principal of the Series 2020B Bonds and the interest due or to become due thereon (together with premium, if any), at the time and in the manner set forth in the Series 2020B Bonds according to the true intent and meaning thereof, and shall make the payments into the Senior Lien Debt Service Account as required under the Indenture or shall provide, as permitted by the Indenture, for the payment thereof by depositing with the Trustee sums sufficient for payment of the entire amount due or to become due thereon as therein provided, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Indenture to be kept, performed and observed by it, and shall pay to the Trustee, the Series 2020B Credit Provider, and the Debt Service Reserve Account Policy (Series 2020B) Credit Provider all sums of money due or to become due to them in accordance with the terms and provisions hereof and of the Original Indenture, then this Twenty-Ninth Supplemental Indenture and all provisions of the Indenture applicable to the Series 2020B Bonds and the rights thereby granted shall cease, terminate and be void except as otherwise provided herein; otherwise, the Indenture shall be and remain in full force and effect with respect to the Series 2020B Bonds.

UNDER THE PROVISIONS OF THE ENABLING ACT AND THE INDENTURE AS HEREBY AMENDED AND SUPPLEMENTED, the Series 2020B Bonds and any other obligations hereunder may be payable from and are a charge upon only the Revenues, Special Revenues, and Trust Estate pledged to the payment thereof and no Owner or Owners of the Bonds shall ever have the right to compel any exercise of the taxing power of the Issuer to pay any Series 2020B Bonds or the interest and premium, if any, thereon, or to enforce payment thereof against any property of the Issuer, except with respect to Revenues and the Special Revenues to the extent pledged hereby and by the Indenture and the Series 2020B Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the Issuer, except as provided in the Indenture and herein, and the Enabling Act provides that under no circumstances shall any Series 2020B Bond or other obligation of the Issuer be or become an indebtedness or obligation of the State of Texas, Harris County, Texas or the City of Houston, Texas or any other political subdivision of or municipality within the State, nor shall any such Series 2020B Bond or obligation be or become an indebtedness of the Issuer within the purview of any constitutional limitation or provision, but nothing in the Enabling Act impairs the rights of Owners of Series 2020B Bonds issued under the Original Indenture and this Twenty-Ninth Supplemental Indenture to enforce the covenants made for the security thereof as provided in the Original Indenture and this Twenty-Ninth Supplemental Indenture and in the Enabling Act and the Issuer and the Trustee mutually covenant and agree, to the extent specifically provided herein, for the benefit of all Owners of all series of Bonds as follows:

[Remainder of This Page Intentionally Left Blank]

ARTICLE ONE

DEFINITIONS, EXHIBITS AND GENERAL PROVISIONS

Section 1.1. *Definitions Generally.*

All terms capitalized but not defined in **Section 1.2** or elsewhere in this Twenty-Ninth Supplemental Indenture shall have the meanings assigned to such terms in the Original Indenture.

Section 1.2. *Additional Definitions Applicable to this Twenty-Ninth Supplemental Indenture.*

In this Twenty-Ninth Supplemental Indenture, the following terms have the following meanings unless the context hereof clearly requires otherwise:

“AGM” means Assured Guaranty Municipal Corp.

“Bond Insurance Policy (Series 2020B)” means the municipal bond insurance policy issued by AGM and designated as Policy Number 220596-N insuring the payment when due of the principal of and interest on the Insured Series 2020B Bonds as provided therein.

“Bondowner,” for the purposes of this Twenty-Ninth Supplemental Indenture only, means the person in whose name a Series 2020B Bond is registered in the Bond Register.

“Corresponding Agreements,” for the purposes of this Twenty-Ninth Supplemental Indenture only, means the Bond Insurance Policy (Series 2020B), the Series 2020B Credit Agreement, this Twenty-Ninth Supplemental Indenture, and the Original Indenture.

“Debt Service Reserve Account Policy (Series 2020B)” means the municipal bond debt service reserve insurance policy issued by AGM and designated as Policy Number 220596-R issued in a principal amount equal to the Reserve Requirement for the Series 2020B Bonds by the Debt Service Reserve Account Policy (Series 2020B) Credit Provider.

“Debt Service Reserve Account Policy (Series 2020B) Credit Provider” means AGM or any successor thereto, in its capacity as issuer of the Debt Service Reserve Account Policy (Series 2020B).

“Debt Service Reserve Account Policy Agreement (Series 2020B)” means the Reimbursement and Indemnity Agreement dated as of October 1, 2020, by and between the Issuer and the Series 2020B Credit Provider, as it may be amended and supplemented from time to time. Such Agreement constitutes a “Credit Agreement” as defined in the Original Indenture.

“DTC” mean Depository Trust Company, New York, New York, as Depository for the Bonds, and its successors and assigns.

“EMMA” means the Electronic Municipal Market Access website.

“Indenture” means the Original Indenture, as amended and supplemented by supplemental indentures, including this Twenty-Ninth Supplemental Indenture, and as further supplemented and amended from time to time.

“Insured Series 2020B Bonds” means the Series 2020B Bonds.

“Interest Payment Dates” means May 15 and November 15 of each year commencing May 15, 2021.

“Mandatory Sinking Fund Payment Dates”, for the purpose of this Twenty-Ninth Supplemental Indenture only, means the dates specified in *Exhibit A*.

“Mandatory Sinking Fund Payments” means the payments which are required to be made under *Section 3.1* to redeem the Series 2020B Bonds in accordance with the Mandatory Sinking Fund Requirements after appropriate credits, if any, have been made.

“Mandatory Sinking Fund Requirements” means the mandatory sinking fund schedules for the Series 2020B Bonds set forth in *Exhibit A*.

“MSRB” means the Municipal Securities Rulemaking Board. Information to be filed with the MSRB pursuant to the Rule will be submitted through EMMA maintained by the MSRB and accessible at <http://www.emma.msrb.org> or other such other access location as designated by the SEC or the MSRB.

“NRG Stadium Bonds” means the Harris County-Houston Sports Authority Taxable Revenue Refunding Bonds (NRG Stadium Project) Series 2014.

“NRG Stadium Indenture” means the Indenture of Trust, dated as of December 1, 2014, between the Issuer and Amegy Bank National Association relating to the NRG Stadium Bonds.

“Original Indenture” means the Indenture of Trust dated as of August 15, 1998, as amended and restated on May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014, and amended as of October 1, 2020, between the Issuer and the Trustee.

“Participants” mean those broker-dealers, banks and other financial institutions from time to time for which DTC holds Series 2020B Bonds as Depositary.

“Regular Record Date” means with respect to any Interest Payment Date, the last day of the month (whether or not a Business Day) preceding the month in which such Interest Payment Date occurs.

“Reserve Requirement”, for the purpose of this Twenty-Ninth Supplemental Indenture and with respect to the Series 2020B Bonds only, shall mean \$2,732,549.13.

“Rockets Stadium Bonds” means the Harris County-Houston Sports Authority Taxable Revenue Refunding Bonds (Toyota Center Project) Series 2014.

“Rockets Stadium Indenture” means the Indenture of Trust, dated as of December 1, 2014, between the Issuer and The Bank of New York Mellon Trust Company, N.A. relating to the Rockets Stadium Bonds.

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

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

“Series 2020B Bonds” means all Bonds authorized to be issued under this Twenty-Ninth Supplemental Indenture maturing on the dates and issued in the aggregate original principal amounts specified in *Section 2.2(a)*.

“Series 2020B Costs of Issuance Subaccount” for the purpose of this Twenty-Ninth Supplemental Indenture only, shall mean the Series 2020B Costs of Issuance Subaccount established within the Construction Account as provided in *Section 6.1(a)*.

“Series 2020B Credit Agreement” means the Reimbursement and Indemnity Agreement dated as of October 1, 2020, by and between the Issuer and the Series 2020B Credit Provider, as it may be amended and supplemented from time to time. Such Agreement constitutes a “Credit Agreement” as defined in the Original Indenture.

“Series 2020B Credit Provider” means AGM and its successors and assigns, in its capacity as provider of the Bond Insurance Policy (Series 2020B).

“Series 2020B Depository Letter” means the global representation letter from the Issuer and the Trustee to DTC.

“Series 2020B Escrow Agent”, for the purpose of this Twenty-Ninth Supplemental Indenture only, means UMB Bank, National Association, and its successors in such capacity.

“Series 2020B Escrow Agreement”, for the purpose of this Twenty-Ninth Supplemental Indenture only, means the Escrow Agreement, dated as of October 1, 2020, between the Issuer and the Trustee as Series 2020B Escrow Agent, for the refunding of the Series 2020B Refunded Obligations.

“Series 2020B Policy Payments Account” for the purpose of this Twenty-Ninth Supplemental Indenture only, shall mean the Series 2020B Policy Payments Account established within the Senior Lien Debt Service Account as provided in *Section 6.1(a)*.

“Series 2020B Refunded Bonds” for the purpose of this Twenty-Ninth Supplemental Indenture only, means all or a portion of the Issuer’s outstanding Senior Lien Revenue Refunding Bonds, Series 2014A, as set forth in *Exhibit D* hereto.

“Series 2020B Refunded Interest,” for the purpose of this Twenty-Ninth Supplemental Indenture only, means all or a portion of certain interest payments with respect to certain of the Issuer’s outstanding Senior Lien Revenue Refunding Bonds, Series 2014A, as set forth in *Exhibit D*.

“Series 2020B Refunded Obligations” means for the purpose of this Twenty-Ninth Supplemental Indenture only, the Series 2020B Refunded Bonds and the Series 2020B Refunded Interest.

“Series 2020B Senior Lien Credit Subaccount” for the purpose of this Twenty-Ninth Supplemental Indenture only, shall mean the Series 2020B Senior Lien Credit Subaccount established within the Senior Lien Debt Service Account as provided in **Section 6.1(a)**.

“Series 2020B Senior Lien Debt Service Reserve Subaccount” for the purpose of this Twenty-Ninth Supplemental Indenture only, shall mean the Series 2020B Senior Debt Service Reserve Subaccount established within the Senior Lien Debt Service Reserve Account as provided in **Section 6.1(a)**.

“Series 2020B Senior Lien Interest Subaccount”, for the purpose of this Twenty-Ninth Supplemental Indenture only, means the Series 2020B Senior Lien Interest Subaccount established within the Senior Lien Debt Service Account as provided in **Section 6.1(a)**.

“Series 2020B Senior Lien Principal Subaccount”, for the purpose of this Twenty-Ninth Supplemental Indenture only, means the Series 2020B Senior Lien Principal Subaccount established within the Senior Lien Debt Service Account as provided in **Section 6.1(a)**.

“Series 2020B Senior Lien Redemption Subaccount”, for the purpose of this Twenty-Ninth Supplemental Indenture only, shall mean the Series 2020B Senior Lien Redemption Subaccount established within the Senior Lien Debt Service Account as provided in **Section 6.1(a)**.

“Twenty-Ninth Supplemental Indenture” means this Twenty-Ninth Supplemental Indenture of Trust dated as of October 1, 2020, between the Issuer and the Trustee as such Twenty-Ninth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

Section 1.3. *Rules of Interpretation.*

This Twenty-Ninth Supplemental Indenture shall be construed and interpreted according to the rules of interpretation stated in **Section 1.2** of the Original Indenture.

[Remainder of This Page Intentionally Left Blank]

ARTICLE TWO
THE SERIES 2020B BONDS

Section 2.1. *Authorized Amount and Form of Series 2020B Bonds, Purpose.*

The Series 2020B Bonds shall be Senior Lien Bonds and Current Interest Bonds which shall be issued for the purpose of refunding all or part of the Series 2020B Refunded Obligations in fully registered form, without coupons, in such denominations as specified in **Section 2.2** hereof and in substantially the form of *Exhibit A* hereto, with such appropriate variations, omissions and insertions as are permitted or required by this Twenty-Ninth Supplemental Indenture, and in accordance with the further provisions of this Article. The aggregate original principal amount of the Series 2020B Bonds that may be outstanding hereunder is expressly limited to \$34,265,000, unless duplicate Series 2020B Bonds are issued as provided in **Section 2.7** of the Original Indenture.

Section 2.2. *Terms of the Series 2020B Bonds.*

(a) The Series 2020B Bonds shall be issued in accordance with the terms and conditions of this Article and shall:

(1) be initially issued in the aggregate original principal amount of \$34,265,000, in authorized denominations of \$5,000 or any integral multiple thereof;

(2) be dated as of October 1, 2020;

(3) be payable as to interest on May 15 and November 15 of each year commencing May 15, 2021;

(4) be subject to redemption on the dates, upon the terms and conditions and at the prices specified in **Article Three**;

(5) bear interest from the date of initial delivery of the Series 2020B Bonds or from the most recent Interest Payment Date to which interest has been paid or duly provided for until the principal amount thereof is paid, such interest to be computed upon the basis of a 360-day year of twelve 30-day months;

(6) except as provided in **Section 2.3**, be payable as to interest by check of the Trustee mailed to the person who, at the close of business on the Regular Record Date is the Owner of such Series 2020B Bond; and

[Remainder of This Page Intentionally Left Blank]

(7) mature on November 15 in the amounts and shall bear interest from their date, until paid, at the rates set forth below:

Maturity	Principal (\$)	Interest (%)
2056	34,265,000	3.710

Section 2.3. *Additional Terms for Series 2020B Bonds.*

(a) Notwithstanding the provisions of **Section 2.2**, if the date for payment of the principal of, premium, if any, or interest on the Series 2020B Bonds shall be a day which is not a Business Day, then the date for such payment shall be the next succeeding day which is a Business Day, and payment on such later date shall have the same force and effect as if made on the nominal date of payment.

(b) The Series 2020B Bonds shall be initially issued as a single typewritten Initial Bond for each stated maturity, and shall be submitted to the Attorney General of the State of Texas as provided in **Section 2.1(c)** of the Original Indenture.

(c) The Series 2020B Bonds shall otherwise be issued as provided in the Original Indenture, including particularly **Article Two** thereof.

(d) The Series 2020B Bonds shall be payable, as to principal and interest, in lawful money of the United States.

Section 2.4. *Delivery of Series 2020B Bonds.*

Upon the execution and delivery of this Twenty-Ninth Supplemental Indenture, and upon delivery for cancellation of the Series 2020B Bonds approved by the Attorney General of Texas and registered by the Comptroller of Public Accounts, the Issuer shall execute and deliver to the Trustee, and the Trustee shall authenticate, the Series 2020B Bonds in the aggregate original principal amounts authorized by **Section 2.2** and the Trustee shall deliver the Series 2020B Bonds to DTC in accordance with the instructions of the Original Purchaser as hereinafter provided after the following have been filed with the Trustee:

- (1) all of the documents, agreements and other items required by **Section 2.4** and **Article Six** of the Original Indenture;
- (2) the original, executed Bond Insurance Policy (Series 2020B) and Debt Service Reserve Account Policy (Series 2020B);
- (3) a request and authorization (which may be part of a certificate of the Issuer) to the Trustee on behalf of the Issuer, signed by one Issuer Representative to deliver the Series 2020B Bonds to DTC in accordance with the instructions of the Original Purchaser upon payment to the Trustee for the account of the Issuer of a specified sum plus accrued interest, if any;
- (4) an opinion of Bond Counsel or Independent Counsel selected by the Issuer stating that (i) the Series 2020B Bonds are authorized by this Twenty-Ninth

Supplemental Indenture and (ii) this Twenty-Ninth Supplemental Indenture was duly adopted by the Issuer in conformity with the provisions and limitations set forth in the Enabling Act and the Original Indenture; and

- (5) any other documents or opinions which Bond Counsel may require for purposes of rendering their opinion required under the Original Indenture or this Twenty-Ninth Supplemental Indenture.

[Remainder of This Page Intentionally Left Blank]

ARTICLE THREE

REDEMPTION OF SERIES 2020B BONDS BEFORE MATURITY

Section 3.1. *Optional and Mandatory Redemption.*

The Series 2020B Bonds are subject to optional and mandatory redemption prior to stated maturity in accordance with the terms provided in *Exhibit A* hereto.

Section 3.2. *Partial Redemption of Series 2020B Bonds.*

Except to the extent provided to the contrary herein, in the case of any partial redemption of Series 2020B Bonds of the same maturity and lien level pursuant to any provision of this Twenty-Ninth Supplemental Indenture, the particular Series 2020B Bonds or portions thereof to be redeemed shall be selected by the Trustee in such manner as the Trustee shall deem fair and equitable and as otherwise provided by **Section 2.2** of the Original Indenture.

Section 3.3. *Procedure for Redemption.*

In the event the Issuer shall give notice to the Trustee of any redemption of the Series 2020B Bonds, the Trustee shall mail notice, in the name of the Issuer, of the redemption of such Series 2020B Bonds, which notice shall contain the information required by **Section 2.2** of the Original Indenture.

Section 3.4. *Cancellation.*

All Series 2020B Bonds which have been redeemed shall be cancelled by the Trustee as provided in the Original Indenture and shall not be reissued.

[Remainder of This Page Intentionally Left Blank]

ARTICLE FOUR

BOOK ENTRY ONLY SYSTEM

Section 4.1. *Book-Entry Only System.*

Upon cancellation of the initial Series 2020B Bonds, the Series 2020B Bonds shall be initially issued as a single Series 2020B Bond for each stated maturity. Upon initial issuance, the ownership of each such Series 2020B Bond shall be registered in the Bond Register kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC. Except as provided in this Section or in **Section 4.2** hereof, all of the Outstanding Series 2020B Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC.

Notwithstanding any other provisions of the Original Indenture or this Twenty-Ninth Supplemental Indenture governing the payment, redemption and transfer or exchange of the Series 2020B Bonds, the “Book-Entry Only” securities clearance, settlement and transfer system provided by DTC, in accordance with DTC’s requirements and procedures, are authorized hereunder with respect to the Series 2020B Bonds, and the Issuer and the Trustee shall take such actions as are necessary to qualify the Series 2020B Bonds with DTC and to deliver the Series 2020B Bonds through DTC, including the delivery by the Issuer of the Series 2020B Depository Letter.

Pursuant to the rules and procedures of DTC now in effect, the Series 2020B Bonds shall be deposited with DTC (or with the Trustee on behalf of DTC) who shall hold said Series 2020B Bonds for its participants (the “*DTC Participants*”). While the Series 2020B Bonds are so held, the Owner of the Series 2020B Bonds on the Bond Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Series 2020B Bonds (the “*Beneficial Owners*”) being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as Depository for the Series 2020B Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general, the Issuer covenants and agrees with the Owners to arrange for a new Depository or to cause Series 2020B Bonds to be printed in definitive form and provide for the Series 2020B Bonds certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, in the absence of appointment of a new Depository, the Series 2020B Bonds in definitive form shall be assigned, transferred and exchanged on the Bond Register maintained by the Bond Registrar and payment of such Series 2020B Bonds shall be made in accordance with the provisions of the Indenture.

Section 4.2. *Transfers Outside Book-Entry Only System.*

In the event that the Issuer determines that DTC is incapable of discharging its responsibilities described herein and in the Series 2020B Depository Letter, the Issuer shall notify DTC of the availability through DTC of Replacement Bonds pursuant to **Section 2.11(d)** of the Original Indenture and the Series 2020B Bonds shall no longer be restricted to being registered in the Bond Register kept by the Bond Registrar in the name of Cede & Co., as

nominee of DTC, but may be registered in whatever name or names Bondowners transferring or exchanging Series 2020B Bonds shall designate, in accordance with **Section 2.6** of the Original Indenture.

Section 4.3. *Payments and Notices to Cede & Co.*

Notwithstanding any other provision of the Original Indenture or this Twenty-Ninth Supplemental Indenture to the contrary, so long as any Series 2020B Bond is 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 Series 2020B Bond and all notices with respect to such Series 2020B Bond shall be made and given, respectively, in the manner provided in the operational arrangements of DTC.

[Remainder of This Page Intentionally Left Blank]

ARTICLE FIVE

TAXABLE BONDS AND ELIGIBLE REVENUES

Section 5.1. *Taxable Bonds.*

The Series 2020B Bonds are issued as Taxable Bonds.

Section 5.2. *Optional Payments.*

The Issuer may use pledged amounts defined as “Revenues” in the NRG Stadium Indenture, to the extent available after the payment of debt service on the NRG Stadium Bonds, or pledged amounts defined as “Revenues” in the Rockets Stadium Indenture, to the extent available after the payment of debt service on the Rockets Stadium Bonds, for the payment of debt service on the Series 2020B Bonds, and the prohibitions against such use for Tax Exempt Bonds does not apply.

[Remainder of This Page Intentionally Left Blank]

ARTICLE SIX
FUNDS AND ACCOUNTS

Section 6.1. *Establishment of Series 2020B Accounts; Deposit of Series 2020B Bond Proceeds.*

(a) There is hereby established within the Senior Lien Debt Service Account a Series 2020B Senior Lien Interest Subaccount, a Series 2020B Senior Lien Principal Subaccount, a Series 2020B Senior Lien Redemption Subaccount, a Series 2020B Policy Payments Account, and a Series 2020B Senior Lien Credit Subaccount. There is hereby established a Series 2020B Senior Lien Debt Service Reserve Subaccount within the Senior Lien Debt Service Reserve Account. There is hereby established a Series 2020B Costs of Issuance Subaccount within the Construction Account.

(b) The net proceeds of the initial sale of the Series 2020B Bonds to the Original Purchaser (being the aggregate principal amount of the Series 2020B Bonds, less the Original Purchaser's discount in the amount of \$200,053.08 less the original issue discount in the amount of \$663,713.05, and less \$2,777,362.93 payable to AGM as the Series 2020B Credit Provider and the Debt Service Reserve Account Policy (Series 2020B) Credit Provider (as described below) shall be deposited as follows:

- (1) accrued interest, if any, received upon payment for the Series 2020B Bonds shall be deposited upon receipt in the Series 2020B Senior Lien Interest Subaccount in the Debt Service Account;
- (2) \$179,436.86 of the net proceeds received upon the sale of the Series 2020B Bonds shall be deposited upon receipt into the Series 2001A Senior Lien Principal Subaccount for the purpose of paying certain of the Series 2020B Refunded Bonds payable on November 15, 2020 when due, and the Trustee shall make no other deposits of Revenues or Astros Payments or amounts from the Revenue Recycling Account to the Series 2001A Senior Lien Principal Subaccount with respect to such Series 2020B Refunded Bonds;
- (3) \$1,682,561.67 of the net proceeds received upon the sale of the Series 2020B Bonds shall be deposited upon receipt into the Series 2014A Senior Lien Principal Subaccount for the purpose of paying certain of the Series 2020B Refunded Bonds payable on November 15, 2020 when due, and the Trustee shall make no other deposits of Revenues or Astros Payments or amounts from the Revenue Recycling Account to the Series 2014A Senior Lien Principal Subaccount with respect to such Series 2020B Refunded Bonds;
- (4) \$28,518,685.69 of the net proceeds of the Series 2020B Bonds shall be deposited with the Series 2020B Escrow Agent pursuant to the Series 2020B Escrow Agreement, of which:

(i) 9,156,238.10 shall be deposited with the Series 2020B Escrow Agent pursuant to the Series 2020B Escrow Agreement for the purpose of paying the Series 2020B Refunded Bonds payable after November 15, 2020 when due; and

(ii) \$19,362,447.59 shall be deposited with the Series 2020B Escrow Agent pursuant to the Series 2020B Escrow Agreement for the purpose of paying the Series 2020B Refunded Interest when due, and the Trustee shall deem such amounts deposited under the Series 2020B Escrow Agreement, and any investment proceeds thereon, as deposited in the Series 2014A Senior Lien Interest Subaccount from which the Series 2020B Refunded Interest would be paid, and the Trustee shall make no other deposits of other Revenues or Astros Payments or amounts from the Revenue Recycling Account to the Series 2014A Senior Lien Interest Subaccount with respect to the Series 2020B Refunded Interest;

(Solely for the purposes of determining the amounts of Revenues or Astros Payment or amounts from the Revenue Recycling Account to exclude from depositing to the Series 2014A Interest Subaccount with respect to the Series 2020B Refunded Interest, the Trustee shall make such calculations using the full amounts of Series 2020B Refunded Interest to be paid on the applicable payment dates, rather than the applicable amounts then on deposit in the Series 2020B Escrow Agreement.)

- (5) \$243,186.72 of the net proceeds received upon the sale of the Series 2020B Bonds, representing Costs of Issuance, shall be deposited upon receipt in the Series 2020B Costs of Issuance Subaccount; and
- (6) the balance of the net proceeds received upon the sale of the Series 2020B Bonds shall be deposited upon receipt into the Pledged Revenue Account.

On the Issue Date, the Issuer shall cause to be paid \$2,367,480.56 to the Series 2020B Credit Provider as the premium for the Bond Insurance Policy (Series 2020B) and \$409,882.37 to the Debt Service Reserve Account Policy (Series 2020B) Credit Provider as the premium for the Debt Service Reserve Account Policy (Series 2020B).

Section 6.2. *Debt Service Account.*

In addition and supplemental to the Debt Service Account provisions of the Original Indenture, the following provisions shall govern operation of the Debt Service Account with respect to the Series 2020B Bonds:

- (a) Senior Lien Interest Subaccount. The moneys directed to be deposited into the Series 2020B Senior Lien Interest Subaccount pursuant to **Section 6.1(b)(1)**, if any, shall be deposited therein. Prior to the application of any amounts from the Pledged Revenue Account or the Special Revenue Account to pay interest on the Series 2020B Bonds pursuant to **Section 5.4** or **Section 5.2(e)** of the Indenture, the Trustee shall first apply amounts deposited into the Series 2020B Senior Lien Interest Subaccount pursuant

to **Section 6.1(b)(1)** to the Series 2020B Senior Lien Interest Subaccount as credits, all as contemplated by and consistent with **Section 5.4** of the Indenture.

(b) Senior Lien Principal Subaccount. All amounts directed to be deposited into the Series 2020B Senior Lien Principal Subaccount pursuant to the Original Indenture or this Twenty-Ninth Supplemental Indenture shall be applied to pay principal on the Series 2020B Bonds as and when due, whether by reason of maturity or Mandatory Sinking Fund Requirements pursuant to **Section 3.1**, or, to the extent provided in the Original Indenture, by reason of redemption prior to stated maturity. There shall be transferred to the Series 2020B Senior Lien Principal Subaccount, monthly, the amount required to be transferred from the Pledged Revenue Account pursuant to **Section 5.4(a)(2)** of the Indenture or the Special Revenue Account pursuant to **Section 5.4(c)** or **Section 5.2(e)** of the Indenture.

In the event the Series 2020B Bonds payable out of the Series 2020B Senior Lien Principal Subaccount on a specific date as aforesaid have been fully paid and excess moneys are on deposit in the Series 2020B Senior Lien Principal Subaccount on that specific date, then such moneys on deposit in the Series 2020B Senior Lien Principal Subaccount on such date shall be applied to Series 2020B Bonds payable out of the Series 2020B Senior Lien Principal Subaccount on the next succeeding date in chronological order. The Series 2020B Bonds shall be paid or redeemed by the Trustee pursuant to the provisions of this paragraph without any notice from or direction by the Issuer.

(c) Senior Lien Redemption Subaccount. All amounts directed to be deposited into the Series 2020B Senior Lien Redemption Subaccount pursuant to the Original Indenture or this Twenty-Ninth Supplemental Indenture to redeem or purchase Series 2020B Bonds shall be so applied.

(d) Senior Lien Credit Subaccount. The Series 2020B Credit Provider is subrogated to the rights of the Owners of the Series 2020B Bonds in the Trust Estate if the Series 2020B Credit Provider makes payments under the Bond Insurance Policy (Series 2020B). **To the extent, however, that such subrogation rights are insufficient to pay to the Series 2020B Credit Provider all amounts owing under the Series 2020B Credit Agreement, then the Trustee, upon written direction of the Series 2020B Credit Provider, shall deposit Revenues to the Series 2020B Senior Lien Credit Subaccount as provided in the Indenture and apply amounts held therein upon written direction of the Series 2020B Credit Provider to the satisfaction of such unsubrogated obligations under the Series 2020B Credit Agreement.**

(e) Except as expressly provided to the contrary by this Twenty-Ninth Supplemental Indenture, all amounts realized upon investment of amounts on deposit in the Subaccounts within the Debt Service Account established under this Twenty-Ninth Supplemental Indenture shall be applied as provided in the Original Indenture.

Section 6.3. *Series 2020B Costs of Issuance Subaccount.*

In addition and supplemental to the Construction Account provisions of the Original Indenture, the following provisions shall govern operation of the Series 2020B Costs of Issuance Subaccount with respect to the Series 2020B Bonds:

(a) The moneys directed to be deposited in the Series 2020B Costs of Issuance Subaccount by **Section 6.1(b)(3)** hereof, shall be deposited therein. All amounts realized upon investment of amounts on deposit in the Series 2020B Costs of Issuance Subaccount shall be credited to the Series 2020B Costs of Issuance Subaccount.

(b) The Trustee shall disburse funds from the Series 2020B Costs of Issuance Subaccount upon receipt by the Trustee of a requisition certificate of the Issuer Representative directing the disbursement of such funds as provided in **Section 5.3(c)** of the Original Indenture and as attached hereto as *Exhibit B*.

Section 6.4. Senior Lien Debt Service Reserve Account.

(a) In addition and supplemental to the Senior Lien Debt Service Reserve Account provisions of the Original Indenture, the provisions of this Section shall govern operation of the Series 2020B Senior Lien Debt Service Reserve Subaccount with respect to the Series 2020B Bonds.

(b) The Debt Service Reserve Account Policy (Series 2020B) shall be provided in an amount equal to the Reserve Requirement for the Series 2020B Bonds. Any proceeds received from the Debt Service Reserve Account Policy (Series 2020B) shall be deposited into the Series 2020B Senior Lien Debt Service Reserve Subaccount and applied as provided in **Article Five** of the Original Indenture to pay principal and interest only on the Series 2020B Bonds, pro rata based on the Debt Service Requirements then due with respect to the Series 2020B Bonds.

(c) In the event that one or more drawings are made upon the Debt Service Reserve Account Policy (Series 2020B), the Debt Service Reserve Account Policy (Series 2020B) Credit Provider shall be paid its fees and expenses as provided in the Debt Service Reserve Account Policy Agreement (Series 2020B), but solely out of the Revenues and the Special Revenues in the manner and at the times provided in **Article Five** of the Original Indenture (including, in particular, **Section 5.4(a)(3)** and **Section 5.2(e)** thereof).

Section 6.5. Series 2020B Policy Payments Account.

Any payments under the Bond Insurance Policy (Series 2020B) must be deposited to the Series 2020B Policy Payments Account to pay principal of and interest on the Insured Series 2020B Bonds to the Owners thereof when due, and for no other purpose as provided in **Article Seven**.

[Remainder of This Page Intentionally Left Blank]

ARTICLE SEVEN

PAYMENTS UNDER THE BOND INSURANCE POLICY (SERIES 2020B)

So long as the Series 2020B Credit Provider is not in default under the Bond Insurance Policy (Series 2020B), the provisions of this Article Seven shall be controlling, notwithstanding anything herein or in the Indenture to the contrary, and further provided that at all times the Series 2020B Credit Provider shall retain its right of subrogation as provided herein.

Section 7.1. *Payments Under Bond Insurance Policy (Series 2020B).*

(a) If, on the third Business Day prior to the Payment Date on the Insured Series 2020B Bonds, there is not on deposit with the Trustee, after the Trustee will have made all transfers and deposits required under the Indenture (particularly *Section 5.6* of the Original Indenture), moneys sufficient to pay the principal and interest on the Insured Series 2020B Bonds due on such Payment Date, the Trustee shall give notice to the Series 2020B Credit Provider and to its designated agent (if any) (the “Insurer’s Fiscal Agent”) by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Insured Series 2020B Bonds due on such Payment Date, the Trustee shall make a claim under the Bond Insurance Policy (Series 2020B) and give notice to the Series 2020B Credit Provider and the Insurer’s Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Insured Series 2020B Bonds and the amount required to pay principal of the Insured Series 2020B Bonds, confirmed in writing to the Series 2020B Credit Provider and the Insurer’s Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Bond Insurance Policy (Series 2020B).

(b) The Trustee shall designate any portion of payment of principal on Insured Series 2020B Bonds paid by the Series 2020B Credit Provider, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured Series 2020B Bonds registered to the then current Owner, whether the Depository or its nominee or otherwise, and the Issuer shall issue, and the Trustee shall authenticate, a replacement Insured Series 2020B Bond (or register such principal amount with the Depository) or in the name of the Series 2020B Credit Provider, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Issuer’s or the Trustee’s failure or inability to so designate any payment or issue any replacement Insured Series 2020B Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Insured Series 2020B Bond or the subrogation rights of the Series 2020B Credit Provider.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the Series 2020B Credit Provider into the Series 2020B Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Insured

Series 2020B Bond. The Series 2020B Credit Provider shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Notwithstanding *Section 5.5(g)(2)* of the Original Indenture, upon payment of a claim under the Bond Insurance Policy (Series 2020B), the Trustee shall establish a separate special purpose trust account for the benefit of Bondowners referred to herein as the “Series 2020B Policy Payments Account” and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Bond Insurance Policy (Series 2020B) in trust on behalf of Bondowners and shall deposit any such amount in the Series 2020B Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners in the same manner as principal and interest payments are to be made with respect to the Insured Series 2020B Bonds under the sections hereof regarding payment of Insured Series 2020B Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Issuer agrees to pay to the Series 2020B Credit Provider (i) a sum equal to the total of all amounts paid by the Series 2020B Credit Provider under the Bond Insurance Policy (Series 2020B) (the “Insurer Advances”); and (ii) interest on such Insurer Advances from the date paid by the Series 2020B Credit Provider until payment thereof in full, payable to the Series 2020B Credit Provider at the Late Payment Rate per annum, less, if any such Insurer Advances represent payments of principal on the Insured Series 2020B Bonds, the amount of interest on the Insured Series 2020B Bonds actually received by the Series 2020B Credit Provider as Bondowner (collectively, the “Insurer Reimbursement Amounts”). “Late Payment Rate” means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Insured Series 2020B Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days, and if paid to the Series 2020B Credit Provider as interest on Insurer Advances of principal on the Insured Series 2020B Bonds, will constitute payments of interest on the Insured Series 2020B Bonds to the extent interest has not otherwise been paid. The Issuer hereby covenants and agrees that the Insurer Reimbursement Amounts are secured by a lien on and pledge of the Trust Estate and payable from such Trust Estate on a parity with debt service due on the Insured Series 2020B Bonds. The Issuer further covenants with the Series 2020B Credit Provider and the Trustee that it will not take any action that would cause the Hotel Occupancy Tax and Vehicle Rental Tax not to be imposed while the Insured Series 2020B Bonds remain Outstanding.

(e) Funds held in the Series 2020B Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Series 2020B Policy Payments Account following a Bond Payment Date shall promptly be remitted to the Series 2020B Credit Provider.

(f) The Series 2020B Credit Provider shall, to the extent it makes any payment of principal of or interest on the Insured Series 2020B Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Bond Insurance Policy

(Series 2020B) (which subrogation rights shall also include the rights of any such recipients in connection with any insolvency proceeding under the Indenture and the Insured Series 2020B Bonds). Each obligation of the Issuer to the Series 2020B Credit Provider under the Corresponding Agreements shall survive discharge or termination of the Corresponding Agreements.

(g) As Bond Service Charges, the Issuer shall pay or reimburse the Series 2020B Credit Provider any and all charges, fees, costs and expenses that the Series 2020B Credit Provider may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in any Corresponding Agreements; (ii) the pursuit of any remedies under the Indenture or any other Corresponding Agreement or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture or any other Corresponding Agreement whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Indenture or any other Corresponding Agreement or the transactions contemplated thereby, other than costs resulting from the failure of the Series 2020B Credit Provider to honor its obligations under the Bond Insurance Policy (Series 2020B). The Series 2020B Credit Provider reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture or any other Corresponding Agreement.

(h) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Issuer or rebate only after the payment of past due and current debt service on the Insured Series 2020B Bonds and amounts required to restore the Series 2020B Senior Lien Debt Service Reserve Subaccount to the Reserve Requirement.

(i) The Series 2020B Credit Provider shall be entitled to pay principal or interest on the Insured Series 2020B Bonds that shall become Due for Payment (as defined in the Bond Insurance Policy (Series 2020B) but shall be unpaid by reason of Nonpayment (as defined in the Bond Insurance Policy (Series 2020B)) by the Issuer, whether or not the Series 2020B Credit Provider has received a Notice of Nonpayment (as such terms are defined in the Bond Insurance Policy (Series 2020B)) or a claim upon the Bond Insurance Policy (Series 2020B).

(j) The Series 2020B Credit Provider shall be deemed to be the sole holder of the Insured Series 2020B Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Insured Series 2020B Bonds insured by it are entitled to take pursuant to the Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Indenture and each Bond, the Trustee and each Bondowner appoint the Series 2020B Credit Provider as their agent and attorney-in-fact and agree that the Series 2020B Credit Provider may at any time during the continuation of any proceeding by or against the Issuer under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters with respect to the Insured Series 2020B Bonds relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding with respect to the Insured Series 2020B Bonds (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or

reject any plan of adjustment. In addition, the Trustee and each Bondowner delegate and assign to the Series 2020B Credit Provider, to the fullest extent permitted by law, the rights of the Trustee and each Bondowner in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. Remedies granted to the Bondowners shall expressly include mandamus.

(k) Amounts paid by the Series 2020B Credit Provider under the Bond Insurance Policy (Series 2020B) shall not be deemed paid for purposes of the Indenture and the Insured Series 2020B Bonds relating to such payments shall remain outstanding and continue to be due and owing until paid by the Issuer in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the Series 2020B Credit Provider have been paid in full or duly provided for.

(l) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Twenty-Ninth Supplemental Indenture or the Indenture would adversely affect the security for the Bonds or the rights of the Bondowners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Bond Insurance Policy (Series 2020B).

Section 7.2. Notices.

(a) The notice address of the Series 2020B Credit Provider is: Assured Guaranty Municipal Corp., 1633 Broadway, 23rd Floor, New York, New York 10019, Attention: Managing Director – Surveillance, Re: Policy No. 220596-N, Telephone: (212) 974-0100; Telecopier: (212) 339-3556. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

(b) All information furnished pursuant to the Issuer's continuing disclosure undertaking in **Article Nine** shall also be provided to the Series 2020B Credit Provider, simultaneously with the furnishing of such information to EMMA.

[Remainder of This Page Intentionally Left Blank]

ARTICLE EIGHT

DEBT SERVICE RESERVE ACCOUNT POLICY (*SERIES 2020B*)

So long as the Debt Service Reserve Account Policy (Series 2020B) Credit Provider is not in default under the Debt Service Reserve Account Policy (Series 2020B), the provisions of this Article Eight shall be controlling, notwithstanding anything herein or in the Indenture to the contrary, and further provided that at all times the Debt Service Reserve Account Policy (Series 2020B) Credit Provider shall retain its right of subrogation as provided herein

Section 8.1. *The Debt Service Reserve Account Policy (Series 2020B).*

(a) The Issuer shall repay any draws under the Debt Service Reserve Account Policy (Series 2020B) and pay all related reasonable expenses incurred by the Debt Service Reserve Account Policy (Series 2020B) Credit Provider and shall pay interest thereon from the date of payment by the Debt Service Reserve Account Policy (Series 2020B) Credit Provider at the Reserve Policy Late Payment Rate. The “Reserve Policy Late Payment Rate” means the lesser of (x) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate solely (the “Reserve Policy Prime Rate”) (any change in such Reserve Policy Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 5%, and (ii) 12% per annum rate of interest and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Reserve Policy Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its prime or base lending rate publicly, the Reserve Policy Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the Debt Service Reserve Account Policy (Series 2020B) Credit Provider shall specify. If the interest provisions of this subparagraph (a) shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the Debt Service Reserve Account Policy (Series 2020B) Credit Provider, with the same force and effect as if the Issuer had specifically designated such extra sums to be so applied and the Debt Service Reserve Account Policy (Series 2020B) Credit Provider had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

Repayment of draws and payment of expenses and accrued interest thereon at the Reserve Policy Late Payment Rate (collectively, “Policy Costs”) shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to the Debt Service Reserve Account Policy (Series 2020B) Credit Provider shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Debt Service Reserve Account Policy (Series 2020B) Credit Provider on account of principal due, the coverage under the Debt Service Reserve Account Policy (Series 2020B) will be increased by a like amount, subject to the terms of the Debt Service Reserve Account Policy (Series 2020B). The obligation to pay Policy Costs shall be secured by a valid lien on all revenues and other collateral pledged as security for the Series 2020B Bonds (subject only to the priority of payment provisions set forth under the Indenture).

All cash and investments in the Series 2020B Senior Lien Debt Service Reserve Subaccount shall be transferred, first, to the Series 2020B Senior Lien Interest Subaccount to pay all interest due, and second, to the Series 2020B Senior Lien Principal Subaccount, for payment of principal on the Series 2020B Bonds before any drawing may be made on the Debt Service Reserve Account Policy (Series 2020B) or any other credit facility credited to the Series 2020B Senior Lien Debt Service Reserve Subaccount in lieu of cash (“Reserve Credit Facility”). Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Reserve Credit Facilities (including the Debt Service Reserve Account Policy (Series 2020B)) on which there is Available Coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Series 2020B Senior Lien Debt Service Reserve Subaccount. Payment of Policy Costs and reimbursement of amounts with respect to other Reserve Credit Facilities shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Series 2020B Senior Lien Debt Service Reserve Subaccount. For the avoidance of doubt, “Available Coverage” means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of subparagraph (a) hereof, the Debt Service Reserve Account Policy (Series 2020B) Credit Provider shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Indenture other than remedies which would adversely affect Owners of the Series 2020B Bonds.

(c) The Indenture shall not be discharged until all Policy Costs owing to the Debt Service Reserve Account Policy (Series 2020B) Credit Provider shall have been paid in full. The Issuer's obligation to pay such amounts shall expressly survive payment in full of the Series 2020B Bonds.

(d) The Issuer shall include any Policy Costs then due and owing the Debt Service Reserve Account Policy (Series 2020B) Credit Provider in the calculation of the additional bonds test and the rate covenant, as applicable, in the Indenture.

(e) The Trustee shall ascertain the necessity for a claim upon the Debt Service Reserve Account Policy (Series 2020B) in accordance with the provisions of subparagraph (a) hereof and to provide notice to the Debt Service Reserve Account Policy (Series 2020B) Credit Provider in accordance with the terms of the Debt Service Reserve Account Policy (Series

2020B) at least five business days prior to each date upon which interest or principal is due on the Series 2020B Bonds. Where deposits are required to be made by the Issuer with the Trustee to the Series 2020B Senior Lien Debt Service Reserve Subaccount more often than semi-annually, the Trustee shall give notice to Debt Service Reserve Account Policy (Series 2020B) Credit Provider of any failure of the Issuer to make timely payment in full of such deposits within two business days of the date due.

(f) The Trustee shall draw on the Debt Service Reserve Account Policy (Series 2020B) in accordance with its terms as provided in **Section 5.6** of the Original Indenture.

[Remainder of This Page Intentionally Left Blank]

ARTICLE NINE

CONTINUING DISCLOSURE UNDERTAKING

Section 9.1. *Annual Reports.*

The Issuer shall provide annually to the MSRB, within six months after the end of each fiscal year ending in or after 2020, financial information and operating data with respect to the Issuer of the general type included in the final Official Statement for the Series 2020B Bonds, being the information described in *Exhibit C* hereto.

Any financial statements so to be provided shall be (1) prepared in accordance with generally accepted accounting principles currently in effect for governmental units as prescribed by the Government Accounting Standards Board, which principles are subject to change from time to time to comply with state law or regulation, and (2) audited. If audited financial statements for the Issuer are not available within such period, then the Issuer shall provide unaudited financial statements for the applicable fiscal year to the MSRB, and audited financial statements, when and if audited financial statements become available.

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

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available from the MSRB or filed with the SEC, or may be provided in any other manner consistent with the Rule.

Section 9.2. *Material Event Notices.*

The Issuer shall notify the MSRB, in a timely manner, not in excess of 10 business days after the occurrence of the event, notice of any of the following events with respect to the Series 2020B Bonds:

- (a) Principal and interest payment delinquencies;
- (b) Non-payment related defaults, if material;
- (c) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) Substitution of credit or liquidity providers, or their failure to perform;
- (f) Adverse tax opinions the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the

Series 2020B Bonds or other material events affecting the tax status of the Series 2020B Bonds;

- (g) Modifications to rights of holders of the Series 2020B Bonds, if material;
- (h) Series 2020B Bond calls, if material, and tender offers;
- (i) Defeasances;
- (j) Release, substitution, or sale of property securing repayment of the Series 2020B Bonds, if material;
- (k) Rating changes;
- (l) Bankruptcy, insolvency, receivership or similar event of the Issuer;
- (m) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) Incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material; and
- (p) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the Issuer, any of which reflect financial difficulties.

The Issuer shall notify the MSRB in an electronic form prescribed by the MSRB, in a timely manner, of any failure by the Issuer to provide financial information or operating data in accordance with **Section 9.1** by the time required by such Section. All documents provided to the MSRB shall be accompanied by identifying information, as prescribed by the MSRB.

For these purposes, (1) any event described in the immediately preceding paragraph (l) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of the Issuer in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer, and (2) the Issuer intends the words used in the immediately preceding paragraphs (o) and (p) and the definition of

Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

Section 9.3. *Limitations, Disclaimers, and Amendments.*

The Issuer shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the Issuer remains an “obligated person” with respect to the Series 2020B Bonds within the meaning of the Rule, except that the Issuer in any event will give the notice required by **Section 9.2** of any calls for redemption and defeasance that cause the Issuer to be no longer such an “obligated person.”

The notices and information required to be provided by the Issuer pursuant to **Section 9.1** or **Section 9.2** will be provided in an electronic format or in such other format as required by the MSRB or the SEC, and shall be accompanied by such identifying information as required by the MSRB or the SEC.

The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Series 2020B Bonds, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other Person. The Issuer undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Issuer’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The Issuer 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 ISSUER BE LIABLE TO THE 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 ISSUER, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

No default by the Issuer in observing or performing its obligations under this Article shall constitute a breach of or default under the Indenture for purposes of any other provision of the Indenture.

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

The provisions of this Article may be amended by the Issuer and the Issuer 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 or businesses of the Issuer, but only if (1) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Series 2020B Bonds in the primary offering of the Series 2020B

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 (2) either (a) the Owners of a majority in aggregate principal amount of the Outstanding Series 2020B Bonds consent to such amendment or (b) a Person that is unaffiliated with the Issuer (such as nationally recognized Bond Counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Series 2020B Bonds. If the Issuer so amends the provisions of this Article, the Issuer shall include with any amended financial information or operating data next provided in accordance with **Section 9.1** 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 Issuer may also repeal or amend the provisions of this Article 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, and the Issuer also may amend the provisions of this Article in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Series 2020B Bonds in the primary offering of the Series 2020B Bonds. The Trustee shall execute any amendment to the provisions of this Article permitted by the terms of this Section upon written request of the Issuer.

The Trustee shall not be responsible for making any filings or monitoring compliance with obligations of the Issuer under this Article.

[Remainder of This Page Intentionally Left Blank]

ARTICLE TEN

PLEDGE TO TRUST ESTATE

Section 10.1. *Team Payments Pledged to Trust Estate.*

The Issuer hereby expressly grants, mortgages, grants a security interest in, collaterally assigns, transfers in trust, and pledges to the Trustee on a parity with the pledge of any other Senior Lien Bonds Outstanding from time to time, as part of the Trust Estate the Team Payments (as defined in the Original Indenture) for all purposes under the Indenture, including, in the event of the Issuer's failure to do so, the right of the Issuer to enforce timely imposition and collection of all Team Payments, but solely with respect to the Series 2020B Bonds, which Team Payments shall be Special Revenues with respect to such Series 2020B Bonds as provided in the Original Indenture, and which Special Revenues the Issuer has granted, mortgaged, granted a security interest in, collaterally assigned, transferred in trust, and pledged to the Trustee as part of Granting Clause Fourth in the Original Indenture.

[Remainder of This Page Intentionally Left Blank]

ARTICLE ELEVEN

MISCELLANEOUS PROVISIONS

Section 11.1. *Defaults and Remedies.*

An Event of Default for Senior Lien Bonds under *Article Ten* of the Original Indenture shall be an event of default under this Twenty-Ninth Supplemental Indenture upon expiration of the notice and cure periods provided for in the Original Indenture. Upon the occurrence of an event of default under this Twenty-Ninth Supplemental Indenture, the Trustee shall be entitled to exercise the same remedies, upon the same conditions and subject to the same restrictions and limitations, as provided for in *Article Ten* of the Original Indenture.

Section 11.2. *The Trustee and Paying Agent.*

The Trustee, as defined in the Original Indenture, is hereby appointed as the Trustee, Bond Registrar, and the Paying Agent, as defined in the Original Indenture, for the Series 2020B Bonds, such appointments being pursuant to, and in all respects consistent with, the provisions of *Article Eleven* of the Original Indenture.

Section 11.3. *Amendments to the Indenture.*

Notwithstanding anything in the Indenture, if any provision of the Indenture, any Supplemental Indenture (including this Twenty-Ninth Supplemental Indenture), or any related document may be amended with the approval of the Owners of a majority in the aggregate principal amount of the then Outstanding Series 2020B Bonds, provided that the Series 2020B Credit Provider is not otherwise in default in its obligations under the Bond Insurance Policy (Series 2020B), such Series 2020B Credit Provider shall have the right to approve such amendment, change or modification as if such Series 2020B Credit Provider were the Owners of a majority in the aggregate principal amount of the then Outstanding Series 2020B Bonds.

Provided that the Series 2020B Credit Provider is not otherwise in default with respect to its payment obligations under the Bond Insurance Policy (Series 2020B), no amendment to the Indenture affecting the rights or interests of the Owners of the Series 2020B Bonds or of the Series 2020B Credit Provider shall be made without the consent of the Series 2020B Credit Provider.

The Trustee may rely on the opinion of Independent Counsel as to whether any amendment affects Bondowners or the Series 2020B Credit Provider.

Section 11.4. *Severability.*

If any provision of this Twenty-Ninth Supplemental Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions or in all cases because it conflicts with any other provisions of any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or

unenforceable in any other case or circumstance, or of rendering any other provisions herein contained invalid, inoperative of unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or paragraphs in this Twenty-Ninth Supplemental Indenture contained shall not affect the remaining portions of this Twenty-Ninth Supplemental Indenture or any part thereof.

Section 11.5. *Notices.*

Except as otherwise specifically provided herein, notices shall be given in accordance with **Section 14.5** of the Original Indenture.


Section 11.6. *Counterparts.*

This Twenty-Ninth Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Remainder of This Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Issuer has caused these presents to be signed in its name on its behalf by the Chair of the Governing Body and the Secretary of the Governing Body and to evidence its acceptance of the trusts hereby created the Trustee has caused these presents to be signed in its name and behalf by its duly authorized officers, all as of the
October 1, 2020.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

By  _____
Chair

By _____
Secretary

UMB BANK, NATIONAL ASSOCIATION,
as Trustee

By _____
Its _____

IN WITNESS WHEREOF, the Issuer has caused these presents to be signed in its name on its behalf by the Chair of the Governing Body and the Secretary of the Governing Body and to evidence its acceptance of the trusts hereby created the Trustee has caused these presents to be signed in its name and behalf by its duly authorized officers, all as of the
October 1, 2020.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

By _____
Chair
By *Diana G. Mauls*
Secretary

UMB BANK, NATIONAL ASSOCIATION,
as Trustee

By *Patricia M. Peters*
Its *Vice President*

EXHIBIT A
FORM OF SERIES 2020B BOND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the 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.

No. _____

\$_____

UNITED STATES OF AMERICA
HARRIS COUNTY-HOUSTON SPORTS AUTHORITY
TAXABLE SENIOR LIEN REVENUE REFUNDING BOND, SERIES 2020B

Interest Rate:

Maturity Date: November 15, _____

Dated Date: October 1, 2020

CUSIP

Registered Owner: Cede & Co.

Principal Amount: _____

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, created and existing under the laws of the State of Texas (herein, the “Issuer”), hereby acknowledges itself to owe and for value received promises to pay, but solely out of the Revenues, Special Revenues, and other amounts duly pledged pursuant to the Indenture described below, to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above (unless this Series 2020B Bond shall have been called for redemption as provided in the Indenture, in which case on the applicable Redemption Date), the Principal Amount identified above and to pay interest (computed upon the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the delivery date of this Series 2020B Bond, or from the most recent Interest Payment Date to which interest has been paid at the Interest Rate per annum set forth above on May 15 and November 15 of each year commencing May 15, 2021, until said Principal Amount is paid. The Series 2020B Bonds are issuable only in fully registered form in principal denominations of \$5,000 or integral multiples thereof as permitted in the Indenture.

The principal of this Series 2020B Bond is payable at the corporate trust office of UMB Bank, National Association (together with any successor paying agent under the Indenture as herein defined, the “Paying Agent”) in Kansas City, Missouri, or such other place of payment as may be designated by the Issuer. Interest on this Series 2020B Bond shall be paid by check of the Paying Agent mailed to the person who as of the “Record Date” as herein defined is the Registered Owner of this Series 2020B Bond. “Record Date” shall mean with respect to any Interest Payment Date, (i) the last day of the month (whether or not a Business Day) preceding the month in which such Interest Payment Date occurs or (ii) if the Issuer shall be in default in payment of interest due on such Interest Payment Date, a Special Record Date for the payment of such defaulted interest established by notice mailed by the Trustee on behalf of the Issuer; notice of such Special Record Date shall be mailed not less than 10 days preceding such Special Record Date, to the Owner at the close of business on the fifth Business Day preceding the date of mailing.

This Series 2020B Bond is one of a duly authorized Series of \$34,265,000 aggregate original principal amount of the Issuer’s Taxable Senior Lien Revenue Refunding Bonds, Series 2020B (the “Series 2020B Bonds”) issued pursuant to a Fourth Amended and Restated Indenture of Trust dated as of August 15, 1998, as amended and restated on May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014 (the “Original Indenture”), as supplemented and amended by supplemental indentures, including that certain Twenty-Ninth Supplemental Indenture of Trust dated as of October 1, 2020 (the “Twenty-Ninth Supplemental Indenture”), each of which is by and between the Issuer and UMB Bank, National Association (the “Trustee”). The Original Indenture as so supplemented and amended and as further supplemented and amended from time to time is herein referred to as the “Indenture.” Terms not herein defined shall have the meanings given thereto in the Indenture.

With respect to the pledge of the Trust Estate (hereinafter described) under the Original Indenture, the Series 2020B Bonds are issued on a parity with the Issuer’s Senior Lien Bonds.

This Series 2020B Bond is issued as a Current Interest Bond and as a Taxable Bond, as defined in the Indenture. The Series 2020B Bonds are being issued by the Issuer for the purpose of providing funds (in addition to funds to pay certain costs of issuance of the Series 2020B Bonds) to refund certain of the Issuer’s outstanding obligations all as generally authorized under and described in the Act of May 20, 1997, 75th Leg., R.S., ch.551, 1997 Tex. Gen. & Spec. Laws 1929, including specifically those provisions thereof codified as Texas Local Government Code chapters 334 and 335, Texas Government Code chapter 1371, and Texas Government Code chapter 1207, all as now or hereafter amended (the “Enabling Act”), and all under and pursuant to the Enabling Act and the Indenture. Reference is hereby made to the Indenture for a more complete description of the nature and extent of the security, the rights of the holders of the Series 2020B Bonds and the terms and conditions upon which this Series 2020B Bond has been issued and future additional bonds on a parity therewith (“Additional Senior Lien Bonds”) or subordinate hereto, including Second Lien Bonds and Junior Lien Bonds, are to be issued and secured, all the provisions of which Indenture each holder by the acceptance hereof assents.

This Series 2020B Bond and the Series of which it is a part, together with the Outstanding Senior Lien Bonds and such Additional Bonds as may be issued under the provisions of the Indenture, are payable from and secured by a pledge of the Trust Estate under the Indenture, including the Revenues and the Special Revenues as defined in the Indenture, which Revenues include

amounts received by the Issuer or the Trustee from the Hotel Occupancy Tax and the Vehicle Rental Tax. All of the Series 2020B Bonds, the Outstanding Senior Lien Bonds, and any Additional Senior Lien Bonds (together sometimes referred to as the “Senior Lien Bonds”) are equally and ratably secured by the pledge described in the Indenture without priority or preference of one over the other by reason of series designation, denomination, number, maturity, date or terms of redemption prior to maturity, date of sale or delivery or otherwise except as provided to the contrary as permitted by the Indenture and as provided in any Supplemental Indenture.

The Series 2020B Bonds maturing on or after November 15, 2030 are subject to redemption prior to maturity at the option of the Issuer, in whole or from time to time in part in authorized denominations and if in part by maturities or portions thereof designated by the Issuer (less than all of a single maturity of such Series 2020B Bonds to be selected by lot in such manner as may be designated by the Trustee), at the principal amount of such Series 2020B Bonds to be redeemed plus accrued interest thereon from the most recent Interest Payment Date to the date of redemption.

The Series 2020B Bonds which are subject to optional redemption may be called for optional redemption pursuant to the Indenture upon receipt by the Trustee at least 45 days prior to the redemption date of written notice from the Issuer to the effect that the Issuer has elected to redeem any such Bonds in a specified amount on a redemption date permitted under the Indenture and that on or before such redemption date that the Issuer shall deposit with the Trustee an amount of funds sufficient to pay the redemption price of such Bonds in full. Such notice shall specify the principal amount of the Series 2020B Bonds so to be called for redemption, the applicable redemption price or prices and the provision or provisions above specified pursuant to which such Series 2020B Bonds are to be called for redemption.

The Series 2020B Bonds maturing on November 15, 2056 are Term Bonds within the meaning of the Indenture and shall be subject to Mandatory Sinking Fund Payments and redemption by lot in such manner as may be designated by the Trustee in principal increments of \$5,000, at par and accrued interest from the most recent Interest Payment Date without premium, on each November 15 in the years and amounts as follows:

Series 2020B Bonds maturing on November 15, 2056

Payment Dates (November 15)	Mandatory Sinking Fund Payments
2054	\$11,010,000
2055	11,415,000
2056 (stated maturity)	11,840,000

If Series 2020B Bonds are redeemed at the direction of the Issuer as described in the second and third preceding paragraphs, or are purchased by the Issuer and delivered to the Trustee for cancellation, the Series 2020B Bonds so optionally redeemed or purchased may, at the option of the Issuer, be applied as a credit against any Mandatory Sinking Fund Payment with respect to such Series 2020B Bonds otherwise to be redeemed thereby, such credit to be equal to the principal amount of such Series 2020B Bonds redeemed, provided that the Issuer shall have delivered to the Trustee not less than 45 days prior to such redemption date written notice stating its election to apply such Series

2020B Bonds as such a credit. In such case, the Trustee shall reduce the amount of Series 2020B Bonds to be redeemed on the Mandatory Sinking Fund Payment Date specified in such Issuer notice by the principal amount of Series 2020B Bonds so redeemed. Any credit given to Mandatory Sinking Fund Payments shall not affect any other Mandatory Sinking Fund Payments, which shall remain payable as otherwise provided herein, unless and until another credit is given in accordance with the provisions hereof.

Notice of any redemption will be mailed at least 30 days before the redemption date to each holder of the Series 2020B Bonds to be redeemed. Unless the Issuer defaults in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Series 2020B Bonds or portions thereof called for redemption.

All or any portion of the Series 2020B Bonds are subject to defeasance of the Indenture by the deposit with the Trustee of either cash or Defeasance Securities as provided in the Indenture. Upon compliance with the provisions of the Indenture for such purposes, such Series 2020B Bonds shall be deemed to have been paid and the lien created by the Indenture shall thereupon cease, terminate and become void.

Under certain circumstances the Indenture permits the Issuer and the Trustee to supplement or amend the Indenture without the consent of Owners of the Bonds. Certain other amendments or supplements to the Indenture require the written consent of the Owners of a majority of the aggregate principal amount of the Series of Outstanding Bonds affected thereby or, in certain instances, the written consent of one or more Credit Providers who have issued a Credit Facility with respect to a Series of Outstanding Bonds.

This Series 2020B Bond does not constitute an obligation of the State of Texas, Harris County, Texas, or the City of Houston, Texas within the meaning or application of any Constitutional or statutory limitation or provision, and the holder hereof shall never have the right to demand payment of this Series 2020B Bond or interest hereon out of any funds other than the Revenues, Special Revenues, and other moneys pledged for payment hereof under the Indenture.

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Series 2020B Bond exist, have happened, been done and performed in regular and due form and time as required by law; and that the amount of this Series 2020B Bond and the authorized issue of Bonds of which it is one and the total authorized issue of Bonds of which this Series is a part do not exceed any limit prescribed by the Constitution or statutes of the State of Texas.

This Series 2020B Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been manually signed by the Trustee, or a registration certificate shall have been manually signed by the Comptroller of Public Accounts of the State of Texas.

IN WITNESS WHEREOF, the HARRIS COUNTY-HOUSTON SPORTS AUTHORITY has caused this Series 2020B Bond to be signed by the signatures of the Chair and Secretary of said Authority, all as of the Dated Date identified above.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

By: _____
Chair

Attest: _____
Secretary

CERTIFICATE OF AUTHENTICATION*

This Series 2020B Bond is one of the Series 2020B Bonds described in the within-mentioned Indenture, a predecessor Bond of which has been approved by the Attorney General of the State of Texas and registered with the Comptroller of Public Accounts.

Date of Authentication:

UMB BANK, NATIONAL ASSOCIATION,
as Trustee.

By: _____
Authorized Signatory

*To be printed on Definitive Bonds

**REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS****

OFFICE OF THE COMPTROLLER §
OF PUBLIC ACCOUNTS

§
§
§

REGISTER NO.

THE STATE OF TEXAS

I HEREBY CERTIFY that this Series 2020B Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this

Comptroller of Public Accounts
of the State of Texas

(SEAL)

**To be printed on Initial Bonds

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 Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED:

Signature guaranteed:

.....

.....
NOTICE: The signature on this
assignment must correspond with the
name of the registered owner as it
appears on the face of the within
Bond in every particular.

STATEMENT OF INSURANCE

Assured Guaranty Municipal Corp. (“AGM”), New York, New York, has delivered its municipal bond insurance policy (the “Policy”) with respect to the scheduled payments due of principal of and interest on the Insured Series 2020B Bonds, to UMB Bank, National Association, a national banking association with a payment office in Kansas City, Missouri, or its successor, as paying agent for the Series 2020B Bonds (the “Paying Agent”). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from AGM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Series 2020B Bond acknowledges and consents to the subrogation rights of AGM as more fully set forth in the Policy.

EXHIBIT B

REQUISITION CERTIFICATE

To: UMB Bank, National Association, as Trustee
1670 Broadway
Denver, Colorado 80202
Telecopy: (303) 764-3699

Date:

The undersigned, being the duly authorized Issuer Representatives of the Harris County - Houston Sports Authority (the "Issuer"), does hereby requisition from the Series 2020B Costs of Issuance Subaccount held by the Trustee pursuant to that certain Twenty-Ninth Supplemental Indenture dated as of October 1, 2020, by and between the Issuer and the Trustee, the amount of \$_____, to be paid to the following Persons in the following amounts as Costs of Issuance arising from the Series 2020B Bonds or as the premiums due for the Bond Insurance Policy (Series 2020B) or for the Debt Service Reserve Account Policy (Series 2020B):

<u>Payee</u>	<u>Amount</u>
[designated payee, including appropriate payment instructions]	

Harris County - Houston Sports Authority

By _____
Issuer Representative

EXHIBIT C
SCHEDULE OF CONTINUING DISCLOSURE
INFORMATION

The financial information included in the Official Statement for the Series 2020B Bonds under the following captions will be updated pursuant to ***Section 9.1***:

1. “DESCRIPTION OF PLEDGED REVENUES - SCHEDULE 2 – Historical Revenues”
2. “DESCRIPTION OF PLEDGED REVENUES - SCHEDULE 3 – Top Ten HOT Taxpayers for Fiscal Year 2019”
3. “SPORTS AUTHORITY DEBT SERVICE SCHEDULE”
4. “MANAGEMENT AND ORGANIZATION OF SPORTS AUTHORITY – Schedule 4 – Sports Authority 2020 Budget”
5. “APPENDIX B – AUDITED FINANCIAL STATEMENTS”

EXHIBIT D

SCHEDULE OF SERIES 2020B REFUNDED OBLIGATIONS

Series 2020B Refunded Obligations

	Stated Maturity	Principal Amount	Interest Rate	Refunded Interest	
				Payment Date	Refunded Interest
Contribution to Series 2014A Senior Lien Principal Subaccount	11/15/2020	\$ 1,682,561.67			
Senior Lien Revenue Refunding Bonds, Series 2014A (CIBs)	11/15/2021	3,300,000.00	5.000%		
	11/15/2022	5,000,000.00	5.000%		
Contribution to Series 2001A Senior Lien Principal Subaccount	11/15/2020	179,436.86			
<i>Series 2020B Refunded Interest</i>					
Senior Lien Revenue Refunding Bonds, Series 2014A				05/15/2021	\$ 6,461,875.00
				11/15/2021	6,461,875.00
				05/15/2022	6,461,875.00

EXHIBIT B-3

THIRTIETH SUPPLEMENTAL INDENTURE

(see Tab 7)

HARRIS COUNTY-HOUSTON SPORTS
AUTHORITY

AND

UMB BANK, NATIONAL ASSOCIATION

AS

TRUSTEE

THIRTIETH SUPPLEMENTAL INDENTURE OF TRUST

Dated as of October 1, 2020

\$25,865,000
TAXABLE SECOND LIEN REVENUE REFUNDING BONDS
SERIES 2020C

TABLE OF CONTENTS

	<u>Page</u>
PARTIES	1
RECITALS	1
GRANTING CLAUSES	1
 ARTICLE ONE	
Section 1.1. <i>Definitions Generally</i>	4
Section 1.2. <i>Additional Definitions Applicable to this Thirtieth Supplemental Indenture</i>	4
Section 1.3. <i>Rules of Interpretation</i>	7
 ARTICLE TWO	
Section 2.1. <i>Authorized Amount and Form of Series 2020C Bonds, Purpose</i>	8
Section 2.2. <i>Terms of the Series 2020C Bonds</i>	8
Section 2.3. <i>Additional Terms for Series 2020C Bonds</i>	9
Section 2.4. <i>Delivery of Series 2020C Bonds</i>	10
 ARTICLE THREE	
Section 3.1. <i>Optional and Mandatory Redemption</i>	11
Section 3.2. <i>Partial Redemption of Series 2020C Bonds</i>	11
Section 3.3. <i>Procedure for Redemption</i>	11
Section 3.4. <i>Cancellation</i>	11
 ARTICLE FOUR	
Section 4.1. <i>Book-Entry Only System</i>	12
Section 4.2. <i>Transfers Outside Book-Entry Only System</i>	12
Section 4.3. <i>Payments and Notices to Cede & Co</i>	13
 ARTICLE FIVE	
Section 5.1. <i>Taxable Bonds</i>	14
Section 5.2. <i>Optional Payments</i>	14
 ARTICLE SIX	
Section 6.1. <i>Establishment of Series 2020C Accounts; Deposit of Series 2020C Bond Proceeds</i>	15
Section 6.2. <i>Debt Service Account</i>	16
Section 6.3. <i>Series 2020C Costs of Issuance Subaccount</i>	18
Section 6.4. <i>Second Lien Debt Service Reserve Account</i>	18
Section 6.5. <i>Series 2020C Policy Payments Account</i>	19
 ARTICLE SEVEN	
Section 7.1. <i>Payments Under Bond Insurance Policy (Series 2020C)</i>	20
Section 7.2. <i>Notices</i>	23
 ARTICLE EIGHT	

ARTICLE NINE

Section 9.1. <i>Annual Reports</i>	25
Section 9.2. <i>Material Event Notices</i>	25
Section 9.3. <i>Limitations, Disclaimers, and Amendments</i>	27

ARTICLE TEN

Section 10.1. <i>Team Payments Pledged to Trust Estate</i>	29
-------------------------------------------------------------------------	----

ARTICLE ELEVEN

Section 11.1. <i>Defaults and Remedies</i>	30
Section 11.2. <i>The Trustee and Paying Agent</i>	30
Section 11.3. <i>Amendments to the Indenture</i>	30
Section 11.4. <i>Severability</i>	30
Section 11.5. <i>Notices</i>	31
Section 11.6. <i>Counterparts</i>	32

SIGNATURES

EXHIBIT A	--	FORM OF SERIES 2020C BOND
EXHIBIT B	--	REQUISITION CERTIFICATE
EXHIBIT C	--	SCHEDULE OF CONTINUING DISCLOSURE INFORMATION
EXHIBIT D	--	SCHEDULE OF SERIES 2020C REFUNDED OBLIGATIONS

THIRTIETH SUPPLEMENTAL INDENTURE OF TRUST

THIS THIRTIETH SUPPLEMENTAL INDENTURE OF TRUST (the “*Thirtieth Supplemental Indenture*”) is made and entered into as of October 1, 2020, by and between the HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a political subdivision of Harris County, Texas, Houston, Texas, and the State of Texas duly organized and existing under the Constitution and laws of the State of Texas (the “*Issuer*”), and UMB BANK, NATIONAL ASSOCIATION, a national banking association, authorized to accept and execute trusts of the character herein set out, with a payment office in Kansas City, Missouri (the “*Trustee*”):

W I T N E S S E T H

WHEREAS:

A. The Issuer and the Trustee have heretofore entered into the Original Indenture to provide for the issuance of Bonds and certain other obligations under the Enabling Act to provide funds for the costs related to the Approved Venue Projects and such other purposes as may be permitted under the Enabling Act, and the Original Indenture provides that each Series of Bonds shall be issued as specifically authorized and provided for in a Supplemental Indenture.

B. The Issuer and the Trustee now wish to enter into this Thirtieth Supplemental Indenture to provide for the issuance of the Issuer’s Taxable Second Lien Revenue Refunding Bonds, Series 2020C, in the original aggregate principal amount of \$25,865,000 (the “*Series 2020C Bonds*”).

C. The Issuer has satisfied all conditions stated in the Original Indenture as prerequisites to the issuance of the Series 2020C Bonds and has done and performed any and all things and adopted all ordinances required under the Indenture and the Enabling Act as preconditions to the issuance of a Series of Bonds as specified therein, and the Series 2020C Bonds are being authorized pursuant to the Enabling Act.

D. All things necessary to make the Series 2020C Bonds, when authenticated by the Trustee and issued as in this Thirtieth Supplemental Indenture provided, valid, binding and legal special limited obligations of the Issuer according to the import thereof, and to constitute the Original Indenture and this Thirtieth Supplemental Indenture valid contracts for the security of the Series 2020C Bonds, have been done and performed; and the creation, execution and delivery of this Thirtieth Supplemental Indenture and the creation, execution and issuance of the Series 2020C Bonds, subject to the terms hereof, have in all respects been duly authorized.

NOW THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS, THIS THIRTIETH SUPPLEMENTAL INDENTURE WITNESSETH:

The Issuer, in consideration of the premises and the acceptance by the Trustee of the trusts created hereby and by the Indenture and of the purchase and acceptance of the Series

2020C Bonds by the Owners thereof, in order to provide a source of payment for and to secure the payment of the principal of, premium, if any, and interest on the Series 2020C Bonds according to their tenor and effect, the payment of all amounts due and owing to the Series 2020C Credit Provider, and the performance and observance by the Issuer of all the covenants expressed or implied in the Indenture and herein and in the Series 2020C Bonds, does hereby grant, mortgage, grant a security interest in, assign, transfer in trust, and pledge to the Trustee, and to its successors in trust, and to them and their assigns forever, the following:

FIRST

All of the Trust Estate as described and pledged pursuant to the Indenture, in accordance with the terms of the Indenture;

SECOND

The Bond Insurance Policy (Series 2020C) and all amounts received thereunder; provided, that the Bond Insurance Policy (Series 2020C) and all amounts received thereunder or in connection therewith shall constitute a source of payment solely and exclusively for the Insured Series 2020C Bonds provided as herein and in such Bond Insurance Policy (Series 2020C), and the amounts received thereunder or in connection therewith shall not be deemed part of the Trust Estate with respect to any other Series of Bonds from time to time Outstanding under the Indenture; and

THIRD

The Series 2020C Second Lien Debt Service Reserve Subaccount and all amounts held thereunder or in connection therewith; provided, that the Series 2020C Second Lien Debt Service Reserve Subaccount and all amounts held thereunder or in connection therewith shall constitute a source of payment solely and exclusively for the Series 2020C Bonds, and the amounts received thereunder or in connection therewith shall not be deemed part of the Trust Estate with respect to any other Series of Bonds from time to time Outstanding under the Indenture;

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby granted and assigned, or agreed or intended so to be, to the Trustee and its successors in trust and to them and their assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all Owners from time to time of the Bonds issued under and secured by the Indenture and the Credit Providers, without privilege, priority or distinction as to lien or otherwise of any of the Bonds over any other Bonds except as otherwise provided in the Original Indenture, any other Supplemental Indenture or herein with respect to certain security or sources of payment for certain of the Series 2020C Bonds, except for those portions of the Trust Estate described in Granting Clauses Second and Third, which shall constitute a source of payment solely and exclusively for the Series 2020C Bonds, and the amounts received thereunder or in connection therewith shall not be deemed part of the Trust Estate with respect to any other Series of Bonds from time to time Outstanding under the Indenture;

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, or provide fully for payment as herein provided of the principal of the Series 2020C Bonds and the interest due or to become due thereon (together with premium, if any), at the time and in the manner set forth in the Series 2020C Bonds according to the true intent and meaning thereof, and shall make the payments into the Second Lien Debt Service Account as required under the Indenture or shall provide, as permitted by the Indenture, for the payment thereof by depositing with the Trustee sums sufficient for payment of the entire amount due or to become due thereon as therein provided, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Indenture to be kept, performed and observed by it, and shall pay to the Trustee, the Series 2020C Credit Provider, all sums of money due or to become due to them in accordance with the terms and provisions hereof and of the Original Indenture, then this Thirtieth Supplemental Indenture and all provisions of the Indenture applicable to the Series 2020C Bonds and the rights thereby granted shall cease, terminate and be void except as otherwise provided herein; otherwise, the Indenture shall be and remain in full force and effect with respect to the Series 2020C Bonds.

UNDER THE PROVISIONS OF THE ENABLING ACT AND THE INDENTURE AS HEREBY AMENDED AND SUPPLEMENTED, the Series 2020C Bonds and any other obligations hereunder may be payable from and are a charge upon only the Revenues, Special Revenues, and Trust Estate pledged to the payment thereof and no Owner or Owners of the Bonds shall ever have the right to compel any exercise of the taxing power of the Issuer to pay any Series 2020C Bonds or the interest and premium, if any, thereon, or to enforce payment thereof against any property of the Issuer, except with respect to Revenues and the Special Revenues to the extent pledged hereby and by the Indenture and the Series 2020C Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the Issuer, except as provided in the Indenture and herein, and the Enabling Act provides that under no circumstances shall any Series 2020C Bond or other obligation of the Issuer be or become an indebtedness or obligation of the State of Texas, Harris County, Texas or the City of Houston, Texas or any other political subdivision of or municipality within the State, nor shall any such Series 2020C Bond or obligation be or become an indebtedness of the Issuer within the purview of any constitutional limitation or provision, but nothing in the Enabling Act impairs the rights of Owners of Series 2020C Bonds issued under the Original Indenture and this Thirtieth Supplemental Indenture to enforce the covenants made for the security thereof as provided in the Original Indenture and this Thirtieth Supplemental Indenture and in the Enabling Act and the Issuer and the Trustee mutually covenant and agree, to the extent specifically provided herein, for the benefit of all Owners of all series of Bonds as follows:

[Remainder of This Page Intentionally Left Blank]

ARTICLE ONE

DEFINITIONS, EXHIBITS AND GENERAL PROVISIONS

Section 1.1. *Definitions Generally.*

All terms capitalized but not defined in **Section 1.2** or elsewhere in this Thirtieth Supplemental Indenture shall have the meanings assigned to such terms in the Original Indenture.

Section 1.2. *Additional Definitions Applicable to this Thirtieth Supplemental Indenture.*

In this Thirtieth Supplemental Indenture, the following terms have the following meanings unless the context hereof clearly requires otherwise:

“AGM” means Assured Guaranty Municipal Corp.

“Bond Insurance Policy (Series 2020C)” means the municipal bond insurance policy issued by AGM and designated as Policy Number 220595-N insuring the payment when due of the principal of and interest on the Insured Series 2020C Bonds as provided therein.

“Bondowner,” for the purposes of this Twenty-Fourth Supplemental Indenture only, means the person in whose name a Series 2020C Bond is registered in the Bond Register.

“Corresponding Agreements,” for the purposes of this Thirtieth Supplemental Indenture only, means the Bond Insurance Policy (Series 2020C), the Series 2020C Credit Agreement, this Thirtieth Supplemental Indenture, and the Original Indenture.

“DTC” mean Depository Trust Company, New York, New York, as Depository for the Bonds, and its successors and assigns.

“EMMA” means the Electronic Municipal Market Access website.

“Indenture” means the Original Indenture, as amended and supplemented by supplemental indentures, including this Thirtieth Supplemental Indenture, and as further supplemented and amended from time to time.

“Insured Series 2020C Bonds” means the Series 2020C Bonds.

“Interest Payment Dates” means May 15 and November 15 of each year commencing May 15, 2021.

“Mandatory Sinking Fund Payment Dates”, for the purpose of this Thirtieth Supplemental Indenture only, means the dates specified in **Exhibit A**.

“Mandatory Sinking Fund Payments” means the payments which are required to be made under **Section 3.1** to redeem the Series 2020C Bonds in accordance with the Mandatory Sinking Fund Requirements after appropriate credits, if any, have been made.

“Mandatory Sinking Fund Requirements” means the mandatory sinking fund schedules for the Series 2020C Bonds set forth in *Exhibit A*.

“MSRB” means the Municipal Securities Rulemaking Board. Information to be filed with the MSRB pursuant to the Rule will be submitted through EMMA maintained by the MSRB and accessible at <http://www.emma.msrb.org> or other such other access location as designated by the SEC or the MSRB.

“NRG Stadium Bonds” means the Harris County-Houston Sports Authority Taxable Revenue Refunding Bonds (NRG Stadium Project) Series 2014.

“NRG Stadium Indenture” means the Indenture of Trust, dated as of December 1, 2014, between the Issuer and Amegy Bank National Association relating to the NRG Stadium Bonds.

“Original Indenture” means the Indenture of Trust dated as of August 15, 1998, as amended and restated on May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014, and as amended as of October 1, 2020, between the Issuer and the Trustee.

“Participants” mean those broker-dealers, banks and other financial institutions from time to time for which DTC holds Series 2020C Bonds as Depositary.

“Regular Record Date” means with respect to any Interest Payment Date, the last day of the month (whether or not a Business Day) preceding the month in which such Interest Payment Date occurs.

“Reserve Requirement”, for the purpose of this Thirtieth Supplemental Indenture and with respect to the Series 2020C Bonds only, shall mean \$2,533,554.35.

“Rockets Stadium Bonds” means the Harris County-Houston Sports Authority Taxable Revenue Refunding Bonds (Toyota Center Project) Series 2014.

“Rockets Stadium Indenture” means the Indenture of Trust, dated as of December 1, 2014, between the Issuer and The Bank of New York Mellon Trust Company, N.A. relating to the Rockets Stadium Bonds.

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

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

“Series 2020C Bonds” means all Bonds authorized to be issued under this Thirtieth Supplemental Indenture maturing on the dates and issued in the aggregate original principal amounts specified in *Section 2.2(a)*.

“Series 2020C Costs of Issuance Subaccount” for the purpose of this Thirtieth Supplemental Indenture only, shall mean the Series 2020C Costs of Issuance Subaccount established within the Construction Account as provided in *Section 6.1(a)*.

“Series 2020C Credit Agreement” means the Reimbursement and Indemnity Agreement dated as of October 1, 2020, by and between the Issuer and the Series 2020C Credit Provider, as it may be amended and supplemented from time to time. Such Agreement constitutes a “Credit Agreement” as defined in the Original Indenture.

“Series 2020C Credit Provider” means AGM and its successors and assigns, in its capacity as provider of the Bond Insurance Policy (Series 2020C).

“Series 2020C Depository Letter” means the global representation letter from the Issuer and the Trustee to DTC.

“Series 2020C Escrow Agent”, for the purpose of this Thirtieth Supplemental Indenture only, means UMB Bank, National Association, and its successors in such capacity.

“Series 2020C Escrow Agreement”, for the purpose of this Twenty-Fifth Supplemental Indenture only, means the Escrow Agreement, dated as of October 1, 2020, between the Issuer and the Trustee as the Series 2020C Escrow Agent, for the refunding of the Series 2020C Refunded Obligations.

“Series 2020C Policy Payments Account” for the purpose of this Thirtieth Supplemental Indenture only, shall mean the Series 2020C Policy Payments Account established within the Second Lien Debt Service Account as provided in **Section 6.1(a)**.

“Series 2020C Refunded Bonds” for the purpose of this Thirtieth Supplemental Indenture only, means all or a portion of the Issuer’s outstanding Senior Lien Revenue Refunding Bonds, Series 2001A, Senior Lien Revenue Refunding Bonds, Series 2014A; and Second Lien Revenue Refunding Bonds, Series 2014C, as set forth in **Exhibit D** hereto.

“Series 2020C Refunded Interest,” for the purpose of this Thirtieth Supplemental Indenture only, means all or a portion of certain interest payments with respect to certain of the Issuer’s outstanding Second Lien Revenue Refunding Bonds, Series 2014C, if any, as set forth in **Exhibit D**.

“Series 2020C Refunded Obligations” means for the purpose of this Thirtieth Supplemental Indenture only, the Series 2020C Refunded Bonds and the Series 2020C Refunded Interest.

“Series 2020C Second Lien Credit Subaccount” for the purpose of this Thirtieth Supplemental Indenture only, shall mean the Series 2020C Second Lien Credit Subaccount established within the Second Lien Debt Service Account as provided in **Section 6.1(a)**.

“Series 2020C Second Lien Debt Service Reserve Subaccount”, for the purpose of this Thirtieth Supplemental Indenture only, means the Series 2020C Second Lien Debt Service Reserve Subaccount established within the Second Lien Debt Service Reserve Account as provided in **Section 6.1(a)**.

“Series 2020C Second Lien Interest Subaccount”, for the purpose of this Thirtieth Supplemental Indenture only, means the Series 2020C Second Lien Interest Subaccount established within the Second Lien Debt Service Account as provided in **Section 6.1(a)**.

“Series 2020C Second Lien Principal Subaccount”, for the purpose of this Thirtieth Supplemental Indenture only, means the Series 2020C Second Lien Principal Subaccount established within the Second Lien Debt Service Account as provided in **Section 6.1(a)**.

“Series 2020C Second Lien Redemption Subaccount”, for the purpose of this Thirtieth Supplemental Indenture only, shall mean the Series 2020C Second Lien Redemption Subaccount established within the Second Lien Debt Service Account as provided in **Section 6.1(a)**.

“Thirtieth Supplemental Indenture” means this Thirtieth Supplemental Indenture of Trust dated as of October 1, 2020, between the Issuer and the Trustee as such Thirtieth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

Section 1.3. *Rules of Interpretation.*

This Thirtieth Supplemental Indenture shall be construed and interpreted according to the rules of interpretation stated in **Section 1.2** of the Original Indenture.

[Remainder of This Page Intentionally Left Blank]

ARTICLE TWO
THE SERIES 2020C BONDS

Section 2.1. *Authorized Amount and Form of Series 2020C Bonds, Purpose .*

The Series 2020C Bonds shall be Second Lien Bonds, and Current Interest Bonds, which shall be issued for the purpose of refunding all of part of the Series 2020C Refunded Obligations in fully registered form, without coupons, in such denominations as specified in **Section 2.2** hereof and in substantially the form of *Exhibit A* hereto, with such appropriate variations, omissions and insertions as are permitted or required by this Thirtieth Supplemental Indenture, and in accordance with the further provisions of this Article. The aggregate original principal amount of the Series 2020C Bonds that may be outstanding hereunder is expressly limited to \$25,865,000, unless duplicate Series 2020C Bonds are issued as provided in **Section 2.7** of the Original Indenture.

Section 2.2. *Terms of the Series 2020C Bonds.*

The Series 2020C Bonds shall be issued in accordance with the terms and conditions of this Article and shall:

- (1) be initially issued in the aggregate original principal amount of \$25,865,000, in authorized denominations of \$5,000 or any integral multiple thereof;
- (2) be dated as of October 1, 2020;
- (3) be payable as to interest on May 15 and November 15 of each year commencing May 15, 2021;
- (4) be subject to redemption on the dates, upon the terms and conditions and at the prices specified in **Article Three**;
- (5) bear interest from the date of initial delivery of the Series 2020C Bonds or from the most recent Interest Payment Date to which interest has been paid or duly provided for until the principal amount thereof is paid, such interest to be computed upon the basis of a 360-day year of twelve 30-day months;
- (6) except as provided in **Section 2.3**, be payable as to interest by check of the Trustee mailed to the person who, at the close of business on the Regular Record Date is the Owner of such Series 2020C Bond; and

[Remainder of This Page Intentionally Left Blank]

(7) mature on November 15 in the amounts and shall bear interest from their date, until paid, at the rates set forth below:

Maturity	Principal (\$)	Interest (%)
2040	25,865,000	3.860

Section 2.3. *Additional Terms for Series 2020C Bonds.*

(a) Notwithstanding the provisions of **Section 2.2**, if the date for payment of the principal of, premium, if any, or interest on the Series 2020C Bonds shall be a day which is not a Business Day, then the date for such payment shall be the next succeeding day which is a Business Day, and payment on such later date shall have the same force and effect as if made on the nominal date of payment.

(b) The Series 2020C Bonds shall each be initially issued as a single typewritten Initial Bond for each stated maturity, and shall be submitted to the Attorney General of the State of Texas as provided in **Section 2.1(c)** of the Original Indenture.

(c) The Series 2020C Bonds shall otherwise be issued as provided in the Original Indenture, including particularly **Article Two** thereof.

(d) The Series 2020C Bonds shall be payable, as to principal and interest, in lawful money of the United States.

[Remainder of This Page Intentionally Left Blank]

Section 2.4. *Delivery of Series 2020C Bonds.*

Upon the execution and delivery of this Thirtieth Supplemental Indenture, and upon delivery for cancellation of the Series 2020C Bonds approved by the Attorney General of Texas and registered by the Comptroller of Public Accounts, the Issuer shall execute and deliver to the Trustee, and the Trustee shall authenticate, the Series 2020C Bonds in the aggregate original principal amounts authorized by **Section 2.2** and the Trustee shall deliver the Series 2020C Bonds to DTC in accordance with the instructions of the Original Purchaser as hereinafter provided after the following have been filed with the Trustee:

- (1) all of the documents, agreements and other items required by **Section 2.4** and **Article Six** of the Original Indenture;
- (2) the original, executed Bond Insurance Policy (Series 2020C);
- (3) a request and authorization (which may be part of a certificate of the Issuer) to the Trustee on behalf of the Issuer, signed by one Issuer Representative to deliver the Series 2020C Bonds to DTC in accordance with the instructions of the Original Purchaser upon payment to the Trustee for the account of the Issuer of a specified sum plus accrued interest, if any;
- (4) an opinion of Bond Counsel or Independent Counsel selected by the Issuer stating that (i) the Series 2020C Bonds are authorized by this Thirtieth Supplemental Indenture and (ii) this Thirtieth Supplemental Indenture was duly adopted by the Issuer in conformity with the provisions and limitations set forth in the Enabling Act and the Original Indenture; and
- (5) any other documents or opinions which Bond Counsel may require for purposes of rendering their opinion required under the Original Indenture or this Thirtieth Supplemental Indenture.

[Remainder of This Page Intentionally Left Blank]

ARTICLE THREE

REDEMPTION OF SERIES 2020C BONDS BEFORE MATURITY

Section 3.1. *Optional and Mandatory Redemption.*

The Series 2020C Bonds are subject to optional and mandatory redemption prior to stated maturity in accordance with the terms provided in Exhibit A hereto.

Section 3.2. *Partial Redemption of Series 2020C Bonds.*

Except to the extent provided to the contrary herein, in the case of any partial redemption of Series 2020C Bonds of the same maturity and lien level pursuant to any provision of this Thirtieth Supplemental Indenture, the particular Series 2020C Bonds or portions thereof to be redeemed shall be selected by the Trustee in such manner as the Trustee shall deem fair and equitable and as otherwise provided by **Section 2.2** of the Original Indenture.

Section 3.3. *Procedure for Redemption.*

In the event the Issuer shall give notice to the Trustee of any redemption of the Series 2020C Bonds, the Trustee shall mail notice, in the name of the Issuer, of the redemption of such Series 2020C Bonds, which notice shall contain the information required by **Section 2.2** of the Original Indenture.

Section 3.4. *Cancellation.*

All Series 2020C Bonds which have been redeemed shall be cancelled by the Trustee as provided in the Original Indenture and shall not be reissued.

[Remainder of This Page Intentionally Left Blank]

ARTICLE FOUR

BOOK ENTRY ONLY SYSTEM

Section 4.1. *Book-Entry Only System.*

Upon cancellation of the initial Series 2020C Bonds, the Series 2020C Bonds shall be initially issued as a single Series 2020C Bond for each stated maturity. Upon initial issuance, the ownership of each such Series 2020C Bond shall be registered in the Bond Register kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC. Except as provided in this Section or **Section 4.2** hereof, all of the Outstanding Series 2020C Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC.

Notwithstanding any other provisions of the Original Indenture or this Thirtieth Supplemental Indenture governing the payment, redemption and transfer or exchange of the Series 2020C Bonds, the “Book-Entry Only” securities clearance, settlement and transfer system provided by DTC, in accordance with DTC’s requirements and procedures, are authorized hereunder with respect to the Series 2020C Bonds, and the Issuer and the Trustee shall take such as actions as are necessary to qualify the Series 2020C Bonds with DTC and to deliver the Series 2020C Bonds through DTC, including the delivery by the Issuer of the Series 2020C Depository Letter.

Pursuant to the rules and procedures of DTC now in effect, the Series 2020C Bonds shall be deposited with DTC (or with the Trustee on behalf of DTC) who shall hold said Series 2020C Bonds for its participants (the “*DTC Participants*”). While the Series 2020C Bonds are so held, the Owner of the Series 2020C Bonds on the Bond Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Series 2020C Bonds (the “*Beneficial Owners*”) being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as Depository for the Series 2020C Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general, the Issuer covenants and agrees with the Owners to arrange for a new Depository or to cause Series 2020C Bonds to be printed in definitive form and provide for the Series 2020C Bonds certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, in the absence of appointment of a new Depository, the Series 2020C Bonds in definitive form shall be assigned, transferred and exchanged on the Bond Register maintained by the Bond Registrar and payment of such Series 2020C Bonds shall be made in accordance with the provisions of the Indenture.

Section 4.2. *Transfers Outside Book-Entry Only System.*

In the event that the Issuer determines that DTC is incapable of discharging its responsibilities described herein and in the Series 2020C Depository Letter, the Issuer shall notify DTC of the availability through DTC of Replacement Bonds pursuant to **Section 2.11(d)** of the Original Indenture and the Series 2020C Bonds shall no longer be restricted to being registered in the Bond Register kept by the Bond Registrar in the name of Cede & Co., as

nominee of DTC, but may be registered in whatever name or names Bondowners transferring or exchanging Series 2020C Bonds shall designate, in accordance with **Section 2.6** of the Original Indenture.

Section 4.3. *Payments and Notices to Cede & Co.*

Notwithstanding any other provision of the Original Indenture or this Thirtieth Supplemental Indenture to the contrary, so long as any Series 2020C Bond is 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 Series 2020C Bond and all notices with respect to such Series 2020C Bond shall be made and given, respectively, in the manner provided in the operational arrangements of DTC.

[Remainder of This Page Intentionally Left Blank]

ARTICLE FIVE

TAXABLE BONDS AND ELIGIBLE REVENUES

Section 5.1 *Taxable Bonds.*

The Series 2020C Bonds are issued as Taxable Bonds.

Section 5.5. *Optional Payments.*

The Issuer may use pledged amounts defined as “Revenues” in the NRG Stadium Indenture, to the extent available after the payment of debt service on the NRG Stadium Bonds, or pledged amounts defined as “Revenues” in the Rockets Stadium Indenture, to the extent available after the payment of debt service on the Rockets Stadium Bonds, for the payment of debt service on the Series 2020C Bonds, and the prohibitions against such use for Tax Exempt Bonds does not apply.

[Remainder of This Page Intentionally Left Blank]

ARTICLE SIX

FUNDS AND ACCOUNTS

Section 6.1. *Establishment of Series 2020C Accounts; Deposit of Series 2020C Bond Proceeds.*

(a) There is hereby established within the Second Lien Debt Service Account a Series 2020C Second Lien Interest Subaccount, a Series 2020C Second Lien Principal Subaccount, and a Series 2020C Second Lien Redemption Subaccount, a Series 2020C Policy Payments Account, and a Series 2020C Second Lien Credit Subaccount. There is hereby established a Series 2020C Second Lien Debt Service Reserve Subaccount within the Second Lien Debt Service Reserve Account. There is hereby established a Series 2020C Costs of Issuance Subaccount within the Construction Account.

(b) The net proceeds of the initial sale of the Series 2020C Bonds to the Original Purchaser (being the aggregate principal amount of the Series 2020C Bonds, less the Original Purchaser's discount in the amount of \$170,455.57, less the original issue discount in the amount of \$529,456.55), and less \$1,738,851.60 payable to AGM as the Series 2020C Credit Provider shall be deposited as follows: shall be deposited as follows:

- (1) accrued interest, if any, received upon payment for the Series 2020C Bonds shall be deposited upon receipt in the Series 2020C Second Lien Interest Subaccount in the Debt Service Account;
- (2) \$443,216.70 of the net proceeds received upon the sale of the Series 2020C Bonds shall be deposited upon receipt into the Series 2014C Second Lien Interest Subaccount for the purpose of paying the Series 2020C Refunded Interest payable on November 15, 2020, and the Trustee shall make no other deposits of Revenues or Astros Payment or amounts from the Revenue Recycling Account to the Second Lien Debt Service Revenue Holding Account or to the Series 2014C Second Lien Interest Subaccount with respect to such Series 2020C Refunded Interest;
- (3) \$490,796.38 of the net proceeds received upon the sale of the Series 2020C Bonds shall be deposited upon receipt into the Series 2014C Second Lien Principal Subaccount for the purpose of paying a portion of the Series 2020C Refunded Bonds payable on November 15, 2020, and the Trustee shall make no other deposits of Revenues or Astros Payment or amounts from the Revenue Recycling Account to the Second Lien Debt Service Revenue Holding Account or to the Series 2014C Second Lien Principal Subaccount with respect to such Series 2020C Refunded Bonds;
- (4) \$19,773,258.60 of the net proceeds of the Series 2020C Bonds shall be deposited with the Series 2020C Escrow Agent pursuant to the Series 2020C Escrow Agreement, of which:

(i) \$5,415,318.92 shall be deposited with the Series 2020C Escrow Agent pursuant to the Series 2020C Escrow Agreement for the purpose of paying the Series 2020C Refunded Interest when due, and the Trustee shall deem such amounts deposited under the Series 2020C Escrow Agreement, and any investment proceeds thereon, as deposited in the Series 2014C Second Lien Interest Subaccount from which the Series 2020C Refunded Interest would be paid, and the Trustee shall make no other deposits of Revenues or Astros Payments or amounts from the Revenue Recycling Account to the Second Lien Debt Service Revenue Holding Account or the Series 2014C Second Lien Interest Subaccount with respect to such Series 2020C Refunded Interest; and

(Solely for the purposes of determining the amounts of Revenues or Astros Payment or amounts from the Revenue Recycling Account to exclude from depositing to the Second Lien Debt Service Revenue Holding Account or the Series 2014C Interest Subaccount with respect to the Series 2020C Refunded Interest, the Trustee shall make such calculations using the full amounts of Series 2020C Refunded Interest to be paid on the applicable payment dates, rather than the applicable amounts then on deposit in the Series 2020C Escrow Agreement.)

(ii) \$14,357,939.68 shall be deposited with the Series 2020C Escrow Agent pursuant to the Series 2020C Escrow Agreement for the purpose of paying the Series 2020C Refunded Bonds payable after November 15, 2020 when due;

- (5) \$2,533,554.35 of the net proceeds received upon the sale of the Series 2020C Bonds, representing Reserve Requirement, shall be deposited upon receipt in the Series 2020C Second Lien Debt Service Reserve Subaccount;
- (6) \$185,410.25 of the net proceeds received upon the sale of the Series 2020C Bonds, representing Costs of Issuance, shall be deposited upon receipt in the Series 2020C Costs of Issuance Subaccount;
- (7) the balance of the net proceeds received upon the sale of the Series 2020C Bonds shall be deposited upon receipt into the Pledged Revenue Account.

On the Issue Date, the Issuer shall cause to be paid \$1,738,851.60 from proceeds of the initial sale of the Series 2020C Bonds to the Series 2020C Credit Provider as the premium for the Bond Insurance Policy (Series 2020C).

Section 6.2. *Debt Service Account.*

In addition and supplemental to the Debt Service Account provisions of the Original Indenture, the following provisions shall govern operation of the Debt Service Account with respect to the Series 2020C Bonds:

(a) Second Lien Interest Subaccount. The moneys directed to be deposited into the Series 2020C Second Lien Interest Subaccount pursuant to **Section 6.1(b)(1)**, if any, shall be deposited therein. Prior to the application of any amounts from the Second Lien Debt Service Revenue Holding Account, Pledged Revenue Account, or the Special Revenue Account to pay interest on the Series 2020C Bonds pursuant to **Section 5.4** or **Section 5.2(e)** of the Indenture, the Trustee shall first apply amounts deposited into the Series 2020C Second Lien Interest Subaccount pursuant to **Section 6.1(b)(1)** to the Series 2020C Second Lien Interest Subaccount as credits, all as contemplated by and consistent with **Section 5.4** of the Indenture.

(b) Second Lien Principal Subaccount. All amounts directed to be deposited into the Series 2020C Second Lien Principal Subaccount pursuant to the Original Indenture or this Thirtieth Supplemental Indenture shall be applied to pay principal on the Series 2020C Bonds as and when due, whether by reason of maturity or Mandatory Sinking Fund Requirements pursuant to **Section 3.1**, or to the extent provided in the Original Indenture, by reason of redemption prior to stated maturity. There shall be transferred to the Series 2020C Second Lien Principal Subaccount, monthly, the amount required to be transferred from the Pledged Revenue Account pursuant to **Section 5.4(a)(10)** of the Indenture or the Special Revenue Account pursuant to **Section 5.4(d)** or **Section 5.2(e)** of the Indenture.

In the event the Series 2020C Bonds payable out of the Series 2020C Second Lien Principal Subaccount on a specific date as aforesaid have been fully paid and excess moneys are on deposit in the Series 2020C Second Lien Principal Subaccount on that specific date, then such moneys on deposit in the Series 2020C Second Lien Principal Subaccount on such date shall be applied to Series 2020C Bonds payable out of the Series 2020C Second Lien Principal Subaccount on the next succeeding date in chronological order. The Series 2020C Bonds shall be paid or redeemed by the Trustee pursuant to the provisions of this paragraph without any notice from or direction by the Issuer.

(c) Second Lien Redemption Subaccount. All amounts directed to be deposited into the Series 2020C Second Lien Redemption Subaccount pursuant to the Original Indenture or this Thirtieth Supplemental Indenture to redeem or purchase Series 2020C Bonds shall be so applied.

(d) Second Lien Credit Subaccount. The Series 2020C Credit Provider is subrogated to the rights of the Owners of the Series 2020C Bonds in the Trust Estate if the Series 2020C Credit Provider makes payments under the Bond Insurance Policy (Series 2020C). **To the extent, however, that such subrogation rights are insufficient to pay to the Series 2020C Credit Provider all amounts owing under the Series 2020C Credit Agreement, then the Trustee, upon written direction of the Series 2020C Credit Provider, shall deposit Revenues to the Series 2020C Second Lien Credit Subaccount as provided in the Indenture and apply amounts held therein upon written direction of the Series 2020C Credit Provider to the satisfaction of such unsubrogated obligations under the Series 2020C Credit Agreement.**

(e) Except as expressly provided to the contrary by this Thirtieth Supplemental Indenture, all amounts realized upon investment of amounts on deposit in the Subaccounts within the Debt Service Account established under this Thirtieth Supplemental Indenture shall be applied as provided in the Original Indenture.

Section 6.3. *Series 2020C Costs of Issuance Subaccount.*

In addition and supplemental to the Construction Account provisions of the Original Indenture, the following provisions shall govern operation of the Series 2020C Costs of Issuance Subaccount with respect to the Series 2020C Bonds:

(a) The moneys directed to be deposited in the Series 2020C Costs of Issuance Subaccount by **Section 6.1(b)(3)** hereof, shall be deposited therein. All amounts realized upon investment of amounts on deposit in the Series 2020C Costs of Issuance Subaccount shall be credited to the Series 2020C Costs of Issuance Subaccount.

(b) The Trustee shall disburse funds from the Series 2020C Costs of Issuance Subaccount upon receipt by the Trustee of a requisition certificate of the Issuer Representative directing the disbursement of such funds as provided in **Section 5.3(c)** of the Original Indenture and as attached hereto as *Exhibit B*.

Section 6.4. *Second Lien Debt Service Reserve Account.*

(a) In addition and supplemental to the Second Lien Debt Service Reserve Account provisions of the Original Indenture, the provisions of this Section shall govern operation of the Series 2020C Second Lien Debt Service Reserve Subaccount with respect to the Series 2020C Bonds.

(b) Upon the initial delivery of the Series 2020C Bonds, there shall be deposited to the Series 2020C Second Lien Debt Service Reserve Subaccount an amount equal to the Reserve Requirement. Amounts in the Series 2020C Second Lien Debt Service Reserve Subaccount shall be applied as provided in **Article Five** of the Original Indenture to pay principal and interest only on the Series 2020C Bonds.

(c) Notwithstanding anything in the Indenture, the provisions of this Section governing application of the Series 2020C Second Lien Debt Service Reserve Subaccount shall survive the discharge of this Thirtieth Supplemental Indenture until all the Series 2020C Bonds are no longer Outstanding or until the Issuer by Supplemental Indenture has provided for the continued application of the Series 2020C Second Lien Debt Service Reserve Subaccount as provided herein.

(d) With notice to Moody's and S&P, all or a portion of money on deposit in the Series 2020C Second Lien Debt Service Reserve Subaccount may also be applied to the acquisition of a Debt Service Reserve Account Credit Facility securing the Series 2020C Bonds only in all or a portion of the amount of the Reserve Requirement, and upon delivery to the Trustee of the Debt Service Reserve Account Credit Facility, any excess balance of the Series 2020C Second Lien Debt Service Reserve Subaccount over and above the amount of the Reserve Requirement (when taking into account and giving credit to the Debt Service Reserve Account

Credit Facility) shall be applied as directed by the Issuer as authorized by law to redeem Outstanding Bonds or otherwise as the Issuer may lawfully direct.

(e) Provided that the balance of the Series 2020C Second Lien Debt Service Reserve Subaccount is not less than the Reserve Requirement, the Issuer shall deposit all earnings on amounts held in the Series 2020C Second Lien Debt Service Reserve Subaccount *first*, to the Rebate Account to the extent of any Rebate Amount owed thereto, and thereafter as Pledged Revenues under the Indenture.

(f) Notwithstanding **Section 8.2(b)** of the Original Indenture, in determining whether the Debt Service Reserve Requirement has been satisfied, obligations purchased as an investment of moneys therein shall be marked to market on each October 15 and November 15.

Section 6.5. *Series 2020C Policy Payments Account.*

Any payments under the Bond Insurance Policy (Series 2020C) must be deposited to the Series 2020C Policy Payments Account to pay principal of and interest on the Insured Series 2020C Bonds to the Owners thereof when due, and for no other purpose as provided in **Article Seven**.

[Remainder of This Page Intentionally Left Blank]

ARTICLE SEVEN

PAYMENTS UNDER THE BOND INSURANCE POLICY (SERIES 2020C)

So long as the Series 2020C Credit Provider is not in default under the Bond Insurance Policy (Series 2020C), the provisions of this Article Seven shall be controlling, notwithstanding anything herein or in the Indenture to the contrary, and further provided that at all times the Series 2020C Credit Provider shall retain its right of subrogation as provided herein.

Section 7.1. *Payments Under Bond Insurance Policy (Series 2020C).*

(a) If, on the third Business Day prior to the Payment Date on the Insured Series 2020C Bonds, there is not on deposit with the Trustee, after the Trustee will have made all transfers and deposits required under the Indenture (particularly **Section 5.7** of the Original Indenture), moneys sufficient to pay the principal and interest on the Insured Series 2020C Bonds due on such Payment Date, the Trustee shall give notice to the Series 2020C Credit Provider and to its designated agent (if any) (the “Insurer’s Fiscal Agent”) by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Insured Series 2020C Bonds due on such Payment Date, the Trustee shall make a claim under the Bond Insurance Policy (Series 2020C) and give notice to the Series 2020C Credit Provider and the Insurer’s Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Insured Series 2020C Bonds and the amount required to pay principal of the Insured Series 2020C Bonds, confirmed in writing to the Series 2020C Credit Provider and the Insurer’s Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Bond Insurance Policy (Series 2020C).

(b) The Trustee shall designate any portion of payment of principal on Insured Series 2020C Bonds paid by the Series 2020C Credit Provider, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured Series 2020C Bonds registered to the then current Owner, whether the Depository or its nominee or otherwise, and the Issuer shall issue, and the Trustee shall authenticate, a replacement Insured Series 2020C Bond (or register such principal amount with the Depository) or in the name of the Series 2020C Credit Provider, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Issuer’s or the Trustee’s failure or inability to so designate any payment or issue any replacement Insured Series 2020C Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Insured Series 2020C Bond or the subrogation rights of the Series 2020C Credit Provider.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the Series 2020C Credit Provider into the Series 2020C Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Insured

Series 2020C Bond. The Series 2020C Credit Provider shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Notwithstanding **Section 5.8(g)(2)** of the Original Indenture, upon payment of a claim under the Bond Insurance Policy (Series 2020C), the Trustee shall establish a separate special purpose trust account for the benefit of Bondowners referred to herein as the “Series 2020C Policy Payments Account” and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Bond Insurance Policy (Series 2020C) in trust on behalf of Bondowners and shall deposit any such amount in the Series 2020C Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners in the same manner as principal and interest payments are to be made with respect to the Insured Series 2020C Bonds under the sections hereof regarding payment of Insured Series 2020C Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Issuer agrees to pay to the Series 2020C Credit Provider (i) a sum equal to the total of all amounts paid by the Series 2020C Credit Provider under the Bond Insurance Policy (Series 2020C) (the “Insurer Advances”); and (ii) interest on such Insurer Advances from the date paid by the Series 2020C Credit Provider until payment thereof in full, payable to the Series 2020C Credit Provider at the Late Payment Rate per annum, less, if any such Insurer Advances represent payments of principal on the Insured Series 2020C Bonds, the amount of interest on the Insured Series 2020C Bonds actually received by the Series 2020C Credit Provider as Bondowner (collectively, the “Insurer Reimbursement Amounts”). “Late Payment Rate” means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Insured Series 2020C Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days, and if paid to the Series 2020C Credit Provider as interest on Insurer Advances of principal on the Insured Series 2020C Bonds, will constitute payments of interest on the Insured Series 2020C Bonds to the extent interest has not otherwise been paid. The Issuer hereby covenants and agrees that the Insurer Reimbursement Amounts are secured by a lien on and pledge of the Trust Estate and payable from such Trust Estate on a parity with debt service due on the Insured Series 2020C Bonds. The Issuer further covenants with the Series 2020C Credit Provider and the Trustee that it will not take any action that would cause the Hotel Occupancy Tax and Vehicle Rental Tax not to be imposed while the Insured Series 2020C Bonds remain Outstanding.

(e) Funds held in the Series 2020C Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Series 2020C Policy Payments Account following a Bond Payment Date shall promptly be remitted to the Series 2020C Credit Provider.

(f) The Series 2020C Credit Provider shall, to the extent it makes any payment of principal of or interest on the Insured Series 2020C Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Bond Insurance Policy

(Series 2020C) (which subrogation rights shall also include the rights of any such recipients in connection with any insolvency proceeding under the Indenture and the Insured Series 2020C Bonds). Each obligation of the Issuer to the Series 2020C Credit Provider under the Corresponding Agreements shall survive discharge or termination of the Corresponding Agreements.

(g) As Bond Service Charges, the Issuer shall pay or reimburse the Series 2020C Credit Provider any and all charges, fees, costs and expenses that the Series 2020C Credit Provider may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in any Corresponding Agreements; (ii) the pursuit of any remedies under the Indenture or any other Corresponding Agreement or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture or any other Corresponding Agreement whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Indenture or any other Corresponding Agreement or the transactions contemplated thereby, other than costs resulting from the failure of the Series 2020C Credit Provider to honor its obligations under the Bond Insurance Policy (Series 2020C). The Series 2020C Credit Provider reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture or any other Corresponding Agreement.

(h) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Issuer or rebate only after the payment of past due and current debt service on the Insured Series 2020C Bonds and amounts required to restore the Series 2020C Second Lien Debt Service Reserve Subaccount to the Reserve Requirement.

(i) The Series 2020C Credit Provider shall be entitled to pay principal or interest on the Insured Series 2020C Bonds that shall become Due for Payment (as defined in the Bond Insurance Policy (Series 2020C) but shall be unpaid by reason of Nonpayment (as defined in the Bond Insurance Policy (Series 2020C)) by the Issuer, whether or not the Series 2020C Credit Provider has received a Notice of Nonpayment (as such terms are defined in the Bond Insurance Policy (Series 2020C)) or a claim upon the Bond Insurance Policy (Series 2020C).

(j) The Series 2020C Credit Provider shall be deemed to be the sole holder of the Insured Series 2020C Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Insured Series 2020C Bonds insured by it are entitled to take pursuant to the Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Indenture and each Bond, the Trustee and each Bondowner appoint the Series 2020C Credit Provider as their agent and attorney-in-fact and agree that the Series 2020C Credit Provider may at any time during the continuation of any proceeding by or against the Issuer under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters with respect to the Insured Series 2020C Bonds relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding with respect to the Insured Series 2020C Bonds (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or

reject any plan of adjustment. In addition, the Trustee and each Bondowner delegate and assign to the Series 2020C Credit Provider, to the fullest extent permitted by law, the rights of the Trustee and each Bondowner in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. Remedies granted to the Bondowners shall expressly include mandamus.

(k) Amounts paid by the Series 2020C Credit Provider under the Bond Insurance Policy (Series 2020C) shall not be deemed paid for purposes of the Indenture and the Insured Series 2020C Bonds relating to such payments shall remain outstanding and continue to be due and owing until paid by the Issuer in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the Series 2020C Credit Provider have been paid in full or duly provided for.

(l) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Thirtieth Supplemental Indenture or the Indenture would adversely affect the security for the Bonds or the rights of the Bondowners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Bond Insurance Policy (Series 2020C).

Section 7.2. Notices.

(a) The notice address of the Series 2020C Credit Provider is: Assured Guaranty Municipal Corp., 1633 Broadway, 23rd Floor, New York, New York 10019, Attention: Managing Director – Surveillance, Re: Policy No. 220595-N, Telephone: (212) 974-0100; Telecopier: (212) 339-3556. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

(b) All information furnished pursuant to the Issuer's continuing disclosure undertaking in **Article Nine** shall also be provided to the Series 2020C Credit Provider, simultaneously with the furnishing of such information to EMMA.

[Remainder of This Page Intentionally Left Blank]

ARTICLE EIGHT
RESERVED

ARTICLE NINE
CONTINUING DISCLOSURE UNDERTAKING

Section 9.1. *Annual Reports.*

The Issuer shall provide annually to the MSRB, within six months after the end of each fiscal year ending in or after 2020, financial information and operating data with respect to the Issuer of the general type included in the final Official Statement for the Series 2020C Bonds, being the information described in *Exhibit C* hereto.

Any financial statements so to be provided shall be (1) prepared in accordance with generally accepted accounting principles currently in effect for governmental units as prescribed by the Government Accounting Standards Board, which principles are subject to change from time to time to comply with state law or regulation, and (2) audited. If audited financial statements for the Issuer are not available within such period, then the Issuer shall provide unaudited financial statements for the applicable fiscal year to the MSRB, and audited financial statements, when and if audited financial statements become available.

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

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available from the MSRB or filed with the SEC, or may be provided in any other manner consistent with the Rule.

Section 9.2. *Material Event Notices.*

The Issuer shall notify the MSRB, in a timely manner, not in excess of 10 business days after the occurrence of the event, notice of any of the following events with respect to the Series 2020C Bonds:

- (a) Principal and interest payment delinquencies;
- (b) Non-payment related defaults, if material;
- (c) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) Substitution of credit or liquidity providers, or their failure to perform;
- (f) Adverse tax opinions the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form

5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2020C Bonds or other material events affecting the tax status of the Series 2020C Bonds;

- (g) Modifications to rights of holders of the Series 2020C Bonds, if material;
- (h) Series 2020C Bond calls, if material, and tender offers;
- (i) Defeasances;
- (j) Release, substitution, or sale of property securing repayment of the Series 2020C Bonds, if material;
- (k) Rating changes;
- (l) Bankruptcy, insolvency, receivership or similar event of the Issuer;
- (m) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) Incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material; and
- (p) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the Issuer, any of which reflect financial difficulties.

The Issuer shall notify the MSRB in an electronic form prescribed by the MSRB, in a timely manner, of any failure by the Issuer to provide financial information or operating data in accordance with **Section 9.1** by the time required by such Section. All documents provided to the MSRB shall be accompanied by identifying information, as prescribed by the MSRB.

For these purposes, (1) any event described in the immediately preceding paragraph (l) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of the Issuer in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer, and (2) the Issuer intends

the words used in the immediately preceding paragraphs (o) and (p) and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

Section 9.3. *Limitations, Disclaimers, and Amendments.*

The Issuer shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the Issuer remains an “obligated person” with respect to the Series 2020C Bonds within the meaning of the Rule, except that the Issuer in any event will give the notice required by **Section 9.2** of any calls for redemption and defeasance that cause the Issuer to be no longer such an “obligated person.”

The notices and information required to be provided by the Issuer pursuant to **Section 9.1** or **Section 9.2** will be provided in an electronic format or in such other format as required by the MSRB or the SEC, and shall be accompanied by such identifying information as required by the MSRB or the SEC.

The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Series 2020C Bonds, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other Person. The Issuer undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Issuer’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The Issuer 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 ISSUER BE LIABLE TO THE 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 ISSUER, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

No default by the Issuer in observing or performing its obligations under this Article shall constitute a breach of or default under the Indenture for purposes of any other provision of the Indenture.

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

The provisions of this Article may be amended by the Issuer and the Issuer 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 or businesses of the Issuer, but only if (1) the provisions of this Article, as so amended, would have permitted an

underwriter to purchase or sell Series 2020C Bonds in the primary offering of the Series 2020C 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 (2) either (a) the Owners of a majority in aggregate principal amount of the Outstanding Series 2020C Bonds consent to such amendment or (b) a Person that is unaffiliated with the Issuer (such as nationally recognized Bond Counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Series 2020C Bonds. If the Issuer so amends the provisions of this Article, the Issuer shall include with any amended financial information or operating data next provided in accordance with **Section 9.1** 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 Issuer may also repeal or amend the provisions of this Article 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, and the Issuer also may amend the provisions of this Article in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Series 2020C Bonds in the primary offering of the Series 2020C Bonds. The Trustee shall execute any amendment to the provisions of this Article permitted by the terms of this Section upon written request of the Issuer.

The Trustee shall not be responsible for making any filings or monitoring compliance with obligations of the Issuer under this Article.

[Remainder of This Page Intentionally Left Blank]

ARTICLE TEN

PLEDGE TO TRUST ESTATE

Section 10.1. *Team Payments Pledged to Trust Estate.*

The Issuer hereby expressly grants, mortgages, grants a security interest in, collaterally assigns, transfers in trust, and pledges to the Trustee on a basis subordinate to the pledge of the Senior Lien Bonds, and on a parity with the pledge of any other Second Lien Bonds Outstanding from time to time, as part of the Trust Estate the Team Payments (as defined in the Original Indenture) for all purposes under the Indenture, including, in the event of the Issuer's failure to do so, the right of the Issuer to enforce timely imposition and collection of all Team Payments, but solely with respect to the Series 2020C Bonds, which Team Payments shall be Special Revenues with respect to such Series 2020C Bonds as provided in the Original Indenture, and which Special Revenues the Issuer has granted, mortgaged, granted a security interest in, collaterally assigned, transferred in trust, and pledged to the Trustee as part of Granting Clause Fourth in the Original Indenture.

[Remainder of This Page Intentionally Left Blank]

ARTICLE ELEVEN

MISCELLANEOUS PROVISIONS

Section 11.1. *Defaults and Remedies.*

An Event of Default for Second Lien Bonds under *Article Ten* of the Original Indenture shall be an event of default under this Thirtieth Supplemental Indenture upon expiration of the notice and cure periods provided for in the Original Indenture. Upon the occurrence of an event of default under this Thirtieth Supplemental Indenture, the Trustee shall be entitled to exercise the same remedies, upon the same conditions and subject to the same restrictions and limitations, as provided for in *Article Ten* of the Original Indenture.

Section 11.2. *The Trustee and Paying Agent.*

The Trustee, as defined in the Original Indenture, is hereby appointed as the Trustee, Bond Registrar, and the Paying Agent, as defined in the Original Indenture, for the Series 2020C Bonds, such appointments being pursuant to, and in all respects consistent with, the provisions of *Article Eleven* of the Original Indenture.

Section 11.3. *Amendments to the Indenture.*

Notwithstanding anything in the Indenture, if any provision of the Indenture, any Supplemental Indenture (including this Thirtieth Supplemental Indenture), or any related document may be amended with the approval of the Owners of a majority in the aggregate principal amount of the then Outstanding Series 2020C Bonds, provided that the Series 2020C Credit Provider is not otherwise in default in its obligations under the Bond Insurance Policy (Series 2020C), such Series 2020C Credit Provider shall have the right to approve such amendment, change or modification as if such Series 2020C Credit Provider were the Owners of a majority in the aggregate principal amount of the then Outstanding Series 2020C Bonds.

Provided that the Series 2020C Credit Provider is not otherwise in default with respect to its payment obligations under the Bond Insurance Policy (Series 2020C), no amendment to the Indenture affecting the rights or interests of the Owners of the Series 2020C Bonds or of the Series 2020C Credit Provider shall be made without the consent of the Series 2020C Credit Provider.

The Trustee may rely on the opinion of Independent Counsel as to whether any amendment affects Bondowners or the Series 2020C Credit Provider.

Section 11.4. *Severability.*

If any provision of this Thirtieth Supplemental Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions or in all cases because it conflicts with any other provisions of any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or

unenforceable in any other case or circumstance, or of rendering any other provisions herein contained invalid, inoperative of unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or paragraphs in this Thirtieth Supplemental Indenture contained shall not affect the remaining portions of this Thirtieth Supplemental Indenture or any part thereof.

Section 11.5. Notices.

Except as otherwise specifically provided herein, notices shall be given in accordance with **Section 14.5** of the Original Indenture.

[Remainder of This Page Intentionally Left Blank]

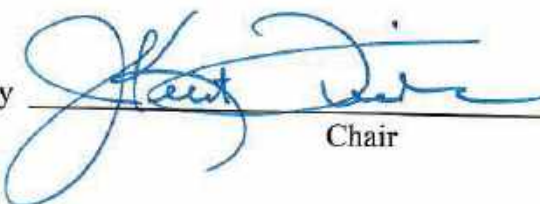
Section 11.6. *Counterparts.*

This Thirtieth Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Remainder of This Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Issuer has caused these presents to be signed in its name on its behalf by the Chair of the Governing Body and the Secretary of the Governing Body and to evidence its acceptance of the trusts hereby created the Trustee has caused these presents to be signed in its name and behalf by its duly authorized officers, all as of the
October 1, 2020

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

By  _____
Chair

By _____
Secretary

UMB BANK, NATIONAL ASSOCIATION, as Trustee

By _____
Its _____

IN WITNESS WHEREOF, the Issuer has caused these presents to be signed in its name on its behalf by the Chair of the Governing Body and the Secretary of the Governing Body and to evidence its acceptance of the trusts hereby created the Trustee has caused these presents to be signed in its name and behalf by its duly authorized officers, all as of the October 1, 2020.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

By _____
Chair
By David H. Mueller
Secretary

UMB BANK, NATIONAL ASSOCIATION, as Trustee

By Patricia M. Peters
Its Vice President

EXHIBIT A

FORM OF SERIES 2020C BOND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the 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.

No. _____

\$ _____

UNITED STATES OF AMERICA
HARRIS COUNTY-HOUSTON SPORTS AUTHORITY
TAXABLE SECOND LIEN REVENUE REFUNDING BOND, SERIES 2020C

Interest Rate:

Maturity Date: November 15, _____

Dated Date: October 1, 2020

CUSIP

Registered Owner: Cede & Co.

Principal Amount: _____

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, created and existing under the laws of the State of Texas (herein, the “Issuer”), hereby acknowledges itself to owe and for value received promises to pay, but solely out of the Revenues, Special Revenues, and other amounts duly pledged pursuant to the Indenture described below, to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above (unless this Series 2020C Bond shall have been called for redemption as provided in the Indenture, in which case on the applicable Redemption Date), the Principal Amount identified above and to pay interest (computed upon the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the delivery date of this Series 2020C Bond, or from the most recent Interest Payment Date to which interest has been paid at the Interest Rate per annum set forth above on May 15 and November 15 of each year commencing May 15, 2021, until said Principal Amount is paid. The Series 2020C Bonds are issuable only in fully registered form in principal denominations of \$5,000 or integral multiples thereof as permitted in the Indenture.

The principal of this Series 2020C Bond is payable at the corporate trust office of UMB Bank, National Association (together with any successor paying agent under the Indenture

as herein defined, the “Paying Agent”) in Kansas City, Missouri, or such other place of payment as may be designated by the Issuer. Interest on this Series 2020C Bond shall be paid by check of the Paying Agent mailed to the person who as of the “Record Date” as herein defined is the Registered Owner of this Series 2020C Bond. “Record Date” shall mean with respect to any Interest Payment Date, (i) the last day of the month (whether or not a Business Day) preceding the month in which such Interest Payment Date occurs or (ii) if the Issuer shall be in default in payment of interest due on such Interest Payment Date, a Special Record Date for the payment of such defaulted interest established by notice mailed by the Trustee on behalf of the Issuer; notice of such Special Record Date shall be mailed not less than 10 days preceding such Special Record Date, to the Owner at the close of business on the fifth Business Day preceding the date of mailing.

This Series 2020C Bond is one of a duly authorized Series of \$25,865,000 aggregate original principal amount of the Issuer’s Taxable Second Lien Revenue Refunding Bonds, Series 2020C (the “Series 2020C Bonds”) issued pursuant to a Fourth Amended and Restated Indenture of Trust dated as of August 15, 1998, as amended and restated on May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014 (the “Original Indenture”), as supplemented and amended by supplemental indentures, including that certain Thirtieth Supplemental Indenture of Trust dated as of October 1, 2020 (the “Thirtieth Supplemental Indenture”), each of which is by and between the Issuer and UMB Bank, National Association (the “Trustee”). The Original Indenture as so supplemented and amended and as further supplemented and amended from time to time is herein referred to as the “Indenture.” Terms not herein defined shall have the meanings given thereto in the Indenture.

With respect to the pledge of the Trust Estate (hereinafter described) under the Original Indenture, the Series 2020C Bonds are issued as second and subordinate to the Issuer’s Senior Lien Bonds, on a parity with the Issuer’s Second Lien Bonds and senior to the Issuer’s Junior Lien Bonds.

This Series 2020C Bond is issued as a Current Interest Bond and as a Taxable Bond, as defined in the Indenture. The Series 2020C Bonds are being issued by the Issuer for the purpose of providing funds (in addition to funds to pay certain costs of issuance of the Series 2020C Bonds) to refund certain of the Issuer’s outstanding obligations all as generally authorized under and described in the Act of May 20, 1997, 75th Leg., R.S., ch.551, 1997 Tex. Gen. & Spec. Laws 1929, including specifically those provisions thereof codified as Texas Local Government Code chapters 334 and 335, Texas Government Code chapter 1371, and Texas Government Code chapter 1207, all as now or hereafter amended (the “Enabling Act”), and all under and pursuant to the Enabling Act and the Indenture. Reference is hereby made to the Indenture for a more complete description of the nature and extent of the security, the rights of the holders of the Series 2020C Bonds and the terms and conditions upon which this Series 2020C Bond has been issued and future additional bonds on a parity therewith (“Additional Second Lien Bonds”), senior thereto, or subordinate hereto, including Senior Lien Bonds and Junior Lien Bonds, are to be issued and secured, all the provisions of which Indenture each holder by the acceptance hereof assents.

This Series 2020C Bond and the Series of which it is a part, together with the Outstanding Second Lien Bonds and such Additional Bonds as may be issued under the provisions of the Indenture, are payable from and secured by a pledge of the Trust Estate under

the Indenture, including the Revenues and Special Revenues as defined in the Indenture, which Revenues include amounts received by the Issuer or the Trustee from the Hotel Occupancy Tax and the Vehicle Rental Tax. All of the Series 2020C Bonds, the Outstanding Second Lien Bonds, and any Additional Second Lien Bonds (together sometimes referred to as the “Second Lien Bonds”) are equally and ratably secured by the pledge described in the Indenture without priority or preference of one over the other by reason of series designation, denomination, number, maturity, date or terms of redemption prior to maturity, date of sale or delivery or otherwise except as provided to the contrary as permitted by the Indenture and as provided in any Supplemental Indenture.

The Series 2020C Bonds maturing on or after November 15, 2030, are subject to redemption prior to maturity at the option of the Issuer, in whole or from time to time in part in authorized denominations and if in part by maturities or portions thereof designated by the Issuer (less than all of a single maturity of such Series 2020C Bonds to be selected by lot in such manner as may be designated by the Trustee), at the principal amount of such Series 2020C Bonds to be redeemed plus accrued interest thereon from the most recent Interest Payment Date to the date of redemption.

The Series 2020C Bonds which are subject to optional redemption may be called for optional redemption pursuant to the Indenture upon receipt by the Trustee at least 45 days prior to the redemption date of written notice from the Issuer to the effect that the Issuer has elected to redeem any such Bonds in a specified amount on a redemption date permitted under the Indenture and that on or before such redemption date that the Issuer shall deposit with the Trustee an amount of funds sufficient to pay the redemption price of such Bonds in full. Such notice shall specify the principal amount of the Series 2020C Bonds so to be called for redemption, the applicable redemption price or prices and the provision or provisions above specified pursuant to which such Series 2020C Bonds are to be called for redemption.

The Series 2020C Bonds maturing on November 15, 2040 are Term Bonds within the meaning of the Indenture and shall be subject to Mandatory Sinking Fund Payments and redemption by lot in such manner as may be designated by the Trustee in principal increments of \$5,000, at par and accrued interest from the most recent Interest Payment Date without premium, on each November 15 in the years and amounts as follows:

Series 2020C Bonds maturing on November 15, 2040

<u>Payment Dates</u> <u>(November 15)</u>	<u>Mandatory Sinking</u> <u>Fund Payments</u>
2035	\$4,385,000
2036	4,175,000
2037	4,085,000
2038	4,240,000
2039	4,405,000
2040 (stated maturity)	4,575,000

If Series 2020C Bonds are redeemed at the direction of the Issuer as described in the second and third preceding paragraphs, or are purchased by the Issuer and delivered to the

Trustee for cancellation, the Series 2020C Bonds so optionally redeemed or purchased may, at the option of the Issuer, be applied as a credit against any Mandatory Sinking Fund Payment with respect to such Series 2020C Bonds otherwise to be redeemed thereby, such credit to be equal to the principal amount of such Series 2020C Bonds redeemed, provided that the Issuer shall have delivered to the Trustee not less than 45 days prior to such redemption date written notice stating its election to apply such Series 2020C Bonds as such a credit. In such case, the Trustee shall reduce the amount of Series 2020C Bonds to be redeemed on the Mandatory Sinking Fund Payment Date specified in such Issuer notice by the principal amount of Series 2020C Bonds so redeemed. Any credit given to Mandatory Sinking Fund Payments shall not affect any other Mandatory Sinking Fund Payments, which shall remain payable as otherwise provided herein, unless and until another credit is given in accordance with the provisions hereof.

Notice of any redemption will be mailed at least 30 days before the redemption date to each holder of the Series 2020C Bonds to be redeemed. Unless the Issuer defaults in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Series 2020C Bonds or portions thereof called for redemption.

All or any portion of the Series 2020C Bonds are subject to defeasance of the Indenture by the deposit with the Trustee of either cash or Defeasance Securities as provided in the Indenture. Upon compliance with the provisions of the Indenture for such purposes, such Series 2020C Bonds shall be deemed to have been paid and the lien created by the Indenture shall thereupon cease, terminate and become void.

Under certain circumstances the Indenture permits the Issuer and the Trustee to supplement or amend the Indenture without the consent of Owners of the Bonds. Certain other amendments or supplements to the Indenture require the written consent of the Owners of a majority of the aggregate principal amount of the Series of Outstanding Bonds affected thereby or, in certain instances, the written consent of one or more Credit Providers who have issued a Credit Facility with respect to a Series of Outstanding Bonds.

This Series 2020C Bond does not constitute an obligation of the State of Texas, Harris County, Texas, or the City of Houston, Texas within the meaning or application of any Constitutional or statutory limitation or provision, and the holder hereof shall never have the right to demand payment of this Series 2020C Bond or interest hereon out of any funds other than the Revenues, Special Revenues and other moneys pledged for payment hereof under the Indenture.

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Series 2020C Bond exist, have happened, been done and performed in regular and due form and time as required by law; and that the amount of this Series 2020C Bond and the authorized issue of Bonds of which it is one and the total authorized issue of Bonds of which this Series is a part do not exceed any limit prescribed by the Constitution or statutes of the State of Texas.

This Series 2020C Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been manually signed by the Trustee, or a registration certificate shall have been manually signed by the Comptroller of Public Accounts of the State of Texas.

IN WITNESS WHEREOF, the HARRIS COUNTY-HOUSTON SPORTS AUTHORITY has caused this Series 2020C Bond to be signed by the signatures of the Chair and Secretary of said Authority, all as of the Dated Date identified above.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

By: _____
Chair

Attest: _____
Secretary

CERTIFICATE OF AUTHENTICATION*

This Series 2020C Bond is one of the Series 2020C Bonds described in the within-mentioned Indenture, a predecessor Bond of which has been approved by the Attorney General of the State of Texas and registered with the Comptroller of Public Accounts.

Date of Authentication:

UMB BANK, NATIONAL
ASSOCIATION,
as Trustee

By: _____
Authorized Signatory

*To be printed on Definitive Bonds

**REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS****

OFFICE OF THE COMPTROLLER §
OF PUBLIC ACCOUNTS

THE STATE OF TEXAS

§
§
§

REGISTER NO.

I HEREBY CERTIFY that this Series 2020C Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this

Comptroller of Public Accounts
of the State of Texas

(SEAL)

**To be printed on Initial Bonds

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 Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney to transfer the within Bond on the books kept for registration thereof, with full power of
substitution in the premises.

DATED:

Signature guaranteed:

.....

.....
NOTICE: The signature on this
assignment must correspond with the
name of the registered owner as it
appears on the face of the within
Bond in every particular.

STATEMENT OF INSURANCE

Assured Guaranty Municipal Corp. (“AGM”), New York, New York, has delivered its municipal bond insurance policy (the “Policy”) with respect to the scheduled payments due of principal of and interest on the Insured Series 2020C Bonds, to UMB Bank, National Association, a national banking association with a payment office in Kansas City, Missouri, or its successor, as paying agent for the Series 2020C Bonds (the “Paying Agent”). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from AGM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Series 2020C Bond acknowledges and consents to the subrogation rights of AGM as more fully set forth in the Policy.

EXHIBIT B

REQUISITION CERTIFICATE

To: UMB Bank, National Association, as Trustee
1670 Broadway
Denver, Colorado 80202
Telecopy: (303) 764-3699

Date:

The undersigned, being the duly authorized Issuer Representatives of the Harris County - Houston Sports Authority (the "Issuer"), does hereby requisition from the Series 2020C Costs of Issuance Subaccount held by the Trustee pursuant to that certain Thirtieth Supplemental Indenture dated as of October 1, 2020, by and between the Issuer and the Trustee, the amount of \$_____, to be paid to the following Persons in the following amounts as Costs of Issuance arising from the Series 2020C Bonds or as the premiums due for the Bond Insurance Policy (Series 2020C) or for the Debt Service Reserve Account Policy (Series 2020C):

<u>Payee</u>	<u>Amount</u>
[designated payee, including appropriate payment instructions]	

Harris County - Houston Sports Authority

By _____
Issuer Representative

EXHIBIT C
SCHEDULE OF CONTINUING DISCLOSURE
INFORMATION

The financial information included in the Official Statement for the Series 2020C Bonds under the following captions will be updated pursuant to *Section 9.1*:

1. “DESCRIPTION OF PLEDGED REVENUES - SCHEDULE 2 – Historical Revenues”
2. “DESCRIPTION OF PLEDGED REVENUES - SCHEDULE 3 – Top Ten HOT Taxpayers for Fiscal Year 2019”
3. “SPORTS AUTHORITY DEBT SERVICE SCHEDULE”
4. “MANAGEMENT AND ORGANIZATION OF SPORTS AUTHORITY – Schedule 4 – Sports Authority 2020 Budget”
5. “APPENDIX B – AUDITED FINANCIAL STATEMENTS”

EXHIBIT D

SCHEDULE OF SERIES 2020C REFUNDED OBLIGATIONS

Series 2020C Refunded Obligations

	Stated Maturity	Principal Amount	CAB Maturity Amount	Interest Rate	Refunded Interest	
					Payment Date	Refunded Interest
Senior Lien Revenue Refunding Bonds, Series 2001A (CABs)	11/15/2021	\$ 1,215,106.20	\$ 3,985,000.00	5.880%		
Senior Lien Revenue Refunding Bonds, Series 2014A (CIBs)	11/15/2021	2,065,000.00		5.000%		
	11/15/2022	4,600,000.00		5.000%		
Contribution to Series 2014C Second Lien Principal Subaccount	11/15/2020	490,796.38				
Second Lien Revenue Refunding Bonds, Series 2014C (CIBs)	11/15/2021	1,150,000.00		5.000%		
	11/15/2022	1,570,000.00		5.000%		
<i>Series 2020C Refunded Interest</i>						
Contribution to Series 2014C Second Lien Interest Subaccount	11/15/2020	\$	443,216.70			
Second Lien Revenue Refunding Bonds, Series 2014C (CIBs)	05/15/2021		1,355,875.00			
	11/15/2021		1,355,875.00			
	05/15/2022		1,355,875.00			
	11/15/2022		1,355,875.00			

EXHIBIT B-4

THIRTY-FIRST SUPPLEMENTAL INDENTURE

(see Tab 8)

HARRIS COUNTY-HOUSTON SPORTS
AUTHORITY

AND

UMB BANK, NATIONAL ASSOCIATION

AS

TRUSTEE

THIRTY-FIRST SUPPLEMENTAL INDENTURE OF TRUST

Dated as of October 1, 2020

TABLE OF CONTENTS

	Page
PARTIES	1
RECITALS	1
ARTICLE ONE DEFINITIONS, EXHIBITS AND GENERAL PROVISIONS 2	
Section 1.1. Definitions Generally	2
ARTICLE TWO AMENDMENTS TO INDENTURE 3	
Section 2.1. Amendment of the Indenture	3
Section 2.1. Addition of the Revenue Recycling Account to the Trust Estate	3
Section 2.2. Definitions	3
Section 2.3. Creation of the Revenue Recycling Account in Section 5.1(b)	4
Section 2.4. Amendment and Restatement of Section 5.2(f)	4
Section 2.5. Amendment of Section 5.4(a)	4
Section 2.6. Addition of Revenue Recycling Account to Article Five	5
Section 2.7. Amendment and Restatement of Section 5.18	5
ARTICLE THREE MISCELLANEOUS PROVISIONS 7	
Section 3.1. Severability	7
Section 3.2. Counterparts	7

THIRTY-FIRST SUPPLEMENTAL INDENTURE OF TRUST

THIS THIRTY-FIRST SUPPLEMENTAL INDENTURE OF TRUST (the “*Thirty-First Supplemental Indenture*”) is made and entered into as of October 1, 2020, by and between the HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a political subdivision of Harris County, Texas, Houston, Texas, and the State of Texas duly organized and existing under the Constitution and laws of the State of Texas (the “*Issuer*”), and UMB BANK, NATIONAL ASSOCIATION, authorized to accept and execute trusts of the character herein set out, with a payment office in Kansas City, Missouri (the “*Trustee*”):

W I T N E S S E T H

WHEREAS:

A. The Issuer and the Trustee have heretofore entered into the Indenture of Trust dated as of August 15, 1998, as amended and restated on May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014 (the “*Indenture*”), to provide for the issuance of Bonds and certain other obligations of the Issuer under the Enabling Act to provide funds for the costs related to the Approved Venue Projects and such other purposes as may be permitted under the Enabling Act, and the Indenture provides that each Series of Bonds shall be issued as specifically authorized and provided for in a Supplemental Indenture.

B. The Issuer and the Trustee are permitted by *Article Twelve* of the Indenture to make such amendments to the Indenture from time to time as are necessary and desirable and will not prejudice any non-consenting Owner of a Bond; and are further permitted to make any modification, alteration, amendment, addition, or rescission of this Indenture or any Supplemental Indenture affecting any Series of Bonds which requires the approval of the Owners of a majority in the aggregate principal amount of the then Outstanding Bonds of a Series affected by such modification, alteration, amendment, addition, or rescission, provided that the non-defaulting Credit Provider for each such affected Series shall have the right to approve such modification, alteration, amendment, addition, or rescission as if such Credit Provider were the Owners of a majority in the aggregate principal amount of the then Outstanding Bonds of such affected Series.

C. The Credit Providers for any Outstanding Bonds secured by a Credit Facility have consented to the amendments in this Thirty-First Supplemental Indenture on behalf of the Owners of a majority in the aggregate principal amount of such Series of Outstanding Bonds.

D. The Issuer hereby finds that the amendments to the Indenture provided for in this Thirty-First Supplemental Indenture are necessary or desirable and will not materially prejudice any non-consenting Owner of a Bond, are necessary and desirable to cure ambiguities in the Indenture and to prevent any interest on Tax-Exempt Bonds from becoming taxable under the Code, and that such amendments to the Indenture do not require 100% Bondowners’ Consent.

F. The Issuer and the Trustee now wish to enter into this Thirty-First Supplemental Indenture to amend the Indenture.

NOW THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS, THIS THIRTY-FIRST SUPPLEMENTAL INDENTURE WITNESSETH:

ARTICLE ONE
DEFINITIONS, EXHIBITS AND GENERAL PROVISIONS

Section 1.1. Definitions Generally.

All terms capitalized but not otherwise defined in this Thirty-First Supplemental Indenture shall have the meanings assigned to such terms in the Indenture.

[Remainder of This Page Intentionally Left Blank]

ARTICLE TWO AMENDMENTS TO INDENTURE

Section 2.1. *Amendment of the Indenture*

The Indenture is hereby amended as specified in the following Sections of this Article.

Section 2.1. *Addition of the Revenue Recycling Account to the Trust Estate*

The following granting clause to the Trust Estate is hereby added following granting clause NINE:

TEN

All right, title, and interest of the Issuer, now owned or hereafter acquired, in and to the money deposited or required to be deposited in the Revenue Recycling Account subject to the application and termination of such Account provided herein.

Section 2.2. *Definitions*

The following definitions are hereby added or revised for clarity in **Section 1.1** in alphabetical order:

“*Astros Payments*” or “*Team Payments*” means the Basic Rentals received by the Issuer pursuant to and as defined in that certain Stadium Lease Agreement dated June 17, 1998, as amended through the date of the Twenty-Seventh Supplemental Indenture of Trust, between the Issuer and Houston Astros LLC, formerly Houston McLane Company, Inc. (the “*Astros*”), and the Royalty Payment received by the Issuer pursuant to and as defined in the License Agreement dated June 17, 1998, as amended through the date of the Twenty-Seventh Supplemental Indenture of Trust, between the Issuer and the Astros.

“*Revenue Recycling Account*” means the Account of that name created by **Section 5.1** hereby.

“*Series 2020A Bonds*” means those Bonds which are issued under the Twenty-Eighth Supplemental Indenture.

“*Series 2020B Bonds*” means those Bonds which are issued under the Twenty-Ninth Supplemental Indenture.

“*Series 2020C Bonds*” means those Bonds which are issued under the Thirtieth Supplemental Indenture.

“*Thirtieth Supplemental Indenture*” means the Thirtieth Supplemental Indenture of Trust dated as of October 1, 2020, between the Issuer and the trustee, as such Thirtieth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

“*Twenty-Eighth Supplemental Indenture*” means the Twenty-Eighth Supplemental Indenture of Trust dated as of October 1, 2020, between the Issuer and the trustee, as such Twenty-Eighth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

“*Twenty-Ninth Supplemental Indenture*” means the Twenty-Ninth Supplemental Indenture of Trust dated as of October 1, 2020, between the Issuer and the trustee, as such Twenty-Ninth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

Section 2.3. *Creation of the Revenue Recycling Account in Section 5.1(b)*

Section 5.1(b)(14.1) below is hereby added to *Section 5.1(b)* immediately following *Section 5.1(b)(14)* and immediately preceding *Section 5.1(b)(15)*.

(14.1) the Revenue Recycling Account;

Section 2.4. Amendment and Restatement of Section 5.2(e).

Section 5.2(e) is hereby amended with the addition of the following provision immediately following the *eleventh* and preceding the *twelfth* sequential step in the monthly application of Astros Payments. This amendment to *Section 5.2(e)* will terminate and have no effect on and after June 15, 2024, and thereafter will be deleted from this Indenture.

Immediately following the eleventh and preceding the twelfth, prior to June 15, 2024, monthly to the General and Administrative Account until amounts in such Account equal the Annual Budgeted General and Administrative Amount in each Bond Year, and if corresponding amounts of Revenues and amounts from the Revenue Recycling Account have previously been deposited to the General and Administrative Account, and if such Account is otherwise fully funded as of the date of the deposit of Astros Payments under this Section 5.2(e), then the Trustee shall release such previously deposited amounts from such Account for deposit to the Pledged Revenue Account immediately upon deposit of the Astros Payments.

Section 2.5. *Amendment and Restatement of Section 5.2(f).*

Section 5.2(f) below is hereby amended and restated as follows:

(f) If Astros Payments are deposited to the credit of any of the Senior Lien Principal Subaccounts, Senior Lien Interest Subaccounts, Second Lien Principal Subaccounts, Second Lien Interest Subaccounts, Junior Lien Interest Subaccounts, or Junior Lien Principal Subaccounts for a corresponding Series of the Taxable Senior Lien Bonds, Taxable Second Lien Bonds, or Taxable Junior Lien Bonds, and corresponding amounts of Revenues and amounts from the Revenue Recycling Account in such amounts have previously been deposited to the Senior Lien Principal Subaccounts, Senior Lien Interest Subaccounts, Second Lien Debt Service Revenue Holding Account, or Junior Lien Debt Service Revenue Holding Account for such Series of Bonds, and if such Accounts or Subaccounts are otherwise fully funded as of the date of the deposit of Astros Payments under subsection (e), then the Trustee shall release such previously deposited

amounts from such Accounts or Subaccounts for deposit to the Pledged Revenue Account immediately upon deposit of the Astros Payments.

Section 2.6. *Amendment of Section 5.4(a)*

Section 5.4(a)(28) is hereby amended and restated as shown below.

(28) quarterly in advance commencing on December 1 of each year (with the first quarterly distribution on June 1, 2001), to the General and Administrative Account in an amount equal to one-quarter of the Annual Budgeted General and Administrative Amount in each Bond Year until equal to the Annual Budgeted General and Administrative Amount, or monthly to the extent of any shortfall in such payments; provided, however, that if the Series 2004 Bonds maturing in the year 2032 are then outstanding, for the Bond Year ending in 2032, Revenues shall be deposited monthly to any Third Lien Bonds Subaccount or other debt service account established with respect to any Third Lien Bond until there has been deposited therein the amount required to pay the principal, interest, and other amounts to be due on such Series 2004 Bonds maturing in 2032, and that only after such amount is deposited to such Third Lien Bond accounts are Revenues available for deposit to the General and Administrative Account pursuant to this **Section 5.4(a)(28)**.

Section 5.4(a)(29.1) below is hereby added to **Section 5.4(a)** immediately following **Section 5.4(a)(29)** and immediately preceding **Section 5.4(a)(30)**. **Section 5.4(a)(29.1)** will terminate and have no effect on and after June 15, 2024, and thereafter will be deleted from the Indenture.

(29.1) prior to June 15, 2024, to the Revenue Recycling Account, 100% of the remaining Revenues after the above deposits; and then

Section 2.7. *Addition of Revenue Recycling Account to Article Five*

Section 5.161 below is hereby added to **Article Five** immediately following **Section 5.16** and immediately preceding **Section 5.17**.

Section 5.161 Revenue Recycling Account.

(a) Prior to June 15, 2024, on the same dates and immediately before the application of amounts in the Astros Payment Subaccount pursuant to **Section 5.2(e)** and the application of the amounts in the Pledged Revenue Account pursuant to **Section 5.4**, all amounts in the Revenue Recycling Account will be applied in the amounts and pursuant to the order of priority in **Section 5.4**.

(b) On June 15, 2024, all amounts in the Revenue Recycling Account shall be applied as follows:

(1) provided that National Insured Bonds are then Outstanding, to the National Insured Bonds Debt Service Reserve Account to bring the balance in such Account to \$10,000,000 if such balance is less than \$10,000,000; and then

(2) provided that National Insured Bonds are then Outstanding the remaining balance to the Debt Repayment Account; and then

(3) as otherwise provided in *Section 5.4(a)(33)-(34)*.

Upon such final application of funds in the Revenue Recycling Account on June 15, 2024, this *Section 5.161* will terminate and have no effect on and after June 15, 2024, and thereafter will be deleted from this Indenture.

(c) Prior to June 15, 2024, this Section may be amended with the written consent of AGM and National, and without the consent of any holder of Outstanding Bonds; provided that such amendment will not materially prejudice any non-consenting Owner of a Bond for which such Designated Credit Providers are not obligated under a Credit Facility for such Bonds.

Section 2.8. *Amendment and Restatement of Section 5.18*

Section 5.18 is hereby amended and restated with the following:

Prior to June 15, 2024, the Issuer may, but is not obligated, to apply amounts in the Debt Repayment Account, at its written direction (and election), to either repay, redeem, purchase and retire, economically defease with the approval of National, or defease the following bonds: the Series 2001H Bonds and Series 2004A Bonds.

On June 15, 2024 and thereafter, within twelve months after the balance in the Debt Repayment Account reaches \$5,000,000, amounts in the Debt Repayment Account must be applied at the written direction (and election) of the Issuer to either repay, redeem, purchase and retire, economically defease with the approval of National, or defease the following bonds (in minimum increments from time to time of \$500,000 and until the Debt Repayment Account balance is reduced to \$2,500,000 or a lower level to be mutually acceptable to the Issuer and National, notice of which shall be given to the Trustee): the Series 2001H Bonds, Series 2004A Bonds, or the Series 2001C-2 Note. Payments on the Series 2001C-2 Note may be made as they become due without National approval, but payments can only be made prior to their due date with National approval. No money may be applied from the Debt Repayment Account until it reaches a balance from time to time of \$5,000,000 without the approval of National, except that if less than \$5,000,000 of the obligations that may be repaid from the Debt Repayment Account are outstanding, then the Issuer may direct (at its election) that the amount required to repay, redeem, purchase and retire, economically defease with the approval of National, or defease such outstanding obligations will be so applied.

At National's written direction, amounts in the Debt Repayment Account may be allocated to refill the National Insured Bonds Debt Service Reserve Account, if the National Insured Bonds Debt Service Reserve Account balance is less than \$10,000,000. Whenever (a) the Series 2001H Bonds and the Series 2004A Bonds are paid, or, at the election of the Issuer, redeemed, purchased and retired, economically defeased with the approval of National, or defeased, (b) there are no Credit Provider Reimbursements with

respect thereto remaining unpaid and (c) the Series 2001C-2 Note is paid or provided for, then the Trustee at the written direction of the Issuer shall transfer any amount remaining in the Debt Repayment Account to the County Repayment Account unless the Series C-1 Note is then paid or provided for, in which case to the Surplus Account.

[Remainder of This Page Intentionally Left Blank]

**ARTICLE THREE
MISCELLANEOUS PROVISIONS**

Section 3.1. *Severability.*

If any provision of this Thirty-First Supplemental Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions or in all cases because it conflicts with any other provisions of any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or paragraphs in this Thirty-First Supplemental Indenture contained shall not affect the remaining portions of this Thirty-First Supplemental Indenture or any part thereof.

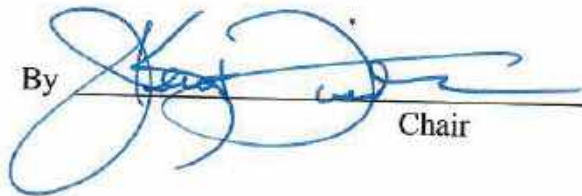
Section 3.2. *Counterparts.*

This Thirty-First Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Remainder of This Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Issuer has caused these presents to be signed in its name on its behalf by the Chair of the Governing Body and the Secretary of the Governing Body and to evidence its acceptance of the trusts hereby created the Trustee has caused these presents to be signed in its name and behalf by its duly authorized officers, all as of the October 1, 2020.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

By  _____
Chair

By _____
Secretary

UMB BANK, NATIONAL ASSOCIATION, as Trustee

By _____
Its _____

IN WITNESS WHEREOF, the Issuer ~~has~~ caused ~~these~~ presents to be signed in its name on its behalf ~~by the~~ Chair ~~of the~~ Governing Body and ~~the~~ Secretary ~~of the~~ Governing Body and to evidence ~~its~~ acceptance ~~of the~~ trusts hereby created ~~the~~ Trustee ~~has~~ caused ~~these~~ presents to be signed ~~in its name and~~ behalf by its duly authorized officers, all as of the _____
October 1, 2020.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

By _____
Chair

By Anna B. Smith
Secretary

UMB BANK, NATIONAL ASSOCIATION, as Trustee

By Patricia M Peters
Its Vice President

EXHIBIT C
BOND PURCHASE AGREEMENT
(see Tab 9)

BOND PURCHASE AGREEMENT

relating to

Harris County-Houston Sports Authority
\$52,035,000 Senior Lien Revenue Refunding Bonds, Series 2020A
\$34,265,000 Taxable Senior Lien Revenue Refunding Bonds, Series 2020B
\$25,865,000 Taxable Second Lien Revenue Refunding Bonds, Series 2020C

September 30, 2020

THE CHAIRMAN AND BOARD OF DIRECTORS

Harris County-Houston Sports Authority
701 Avenida de las Americas, Suite 450
Houston, Texas 77010

Chairman and Board of Directors:

The undersigned, Wells Fargo Bank, National Association (the “Representative”), acting on behalf of itself and the other Underwriters listed on the execution page hereof (the Representative and such other Underwriters being herein collectively called the “Underwriters”), offers to enter into this Bond Purchase Agreement with the Harris County-Houston Sports Authority (the “Authority”). All capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to them in the herein below defined Official Statement. This offer is made subject to the Authority’s acceptance of this Bond Purchase Agreement on or before 5:00 p.m., Houston Time, on September 30, 2020.

1. **Purchase and Sale of the Series 2020 Bonds.** Upon the terms and conditions and upon the basis of the representations set forth herein, the Underwriters hereby agree to purchase, jointly and severally, from the Authority, and the Authority hereby agrees to sell and deliver to the Underwriters its \$52,035,000 Senior Lien Revenue Refunding Bonds, Series 2020A (the “Series 2020A Bonds”), \$34,265,000 Taxable Senior Lien Revenue Refunding Bonds, Series 2020B (the “Series 2020B Bonds”) and \$25,865,000 Taxable Second Lien Revenue Refunding Bonds, Series 2020C (the “Series 2020C Bonds” and collectively with the Series 2020A Bonds and the Series 2020B Bonds, the “Series 2020 Bonds”). The Series 2020 Bonds shall have the maturities, redemption, terms, and bear interest as described in the Official Statement and in the Terms Certificate attached hereto as Exhibit A (the “Terms Certificate”). Concurrently, the Authority has issued a Tender Offer to certain bondholders of outstanding bonds of the Authority to tender such bonds for purchase by the Authority. Such purchase of tendered bonds will be funded by the Series 2020A Bonds.

The purchase price for the Series 2020 Bonds is set forth in the Terms Certificate and is determined in accordance with the Bond Resolution adopted by the Authority on August 27, 2020 (the “Bond Resolution”).

Concurrently with the issuance of the Series 2020 Bonds, Assured Guaranty Municipal Corp. (“AGM”) will issue separate municipal bond insurance policies for the Series 2020 Bonds (each a “Policy” and collectively, the “Policies”). The Policies guarantee the scheduled payment of principal of and interest on the Series 2020 Bonds when due as set forth in the form of the Policy included as Appendix F to the Official Statement.

2. **Indenture.** The Series 2020 Bonds shall be as described in and shall be issued and secured under the provisions of an Indenture of Trust between the Authority and UMB Bank, National Association, as Trustee (the “Trustee”), dated August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004 and December 1, 2014, and as further amended and supplemented, particularly by the Twenty-Eighth, Twenty-Ninth, Thirtieth, and Thirty-First Supplemental Indentures of Trust, each dated as of October 1, 2020 (collectively, the “Indenture”).

3. **Initial Offering.** It shall be a condition of the obligation of the Authority to sell and deliver the Series 2020 Bonds to the Underwriters, and the obligation of the Underwriters to purchase and accept delivery of the Series 2020 Bonds, that the entire principal amount of the Series 2020 Bonds authorized by the Indenture shall be sold and delivered by the Authority and accepted and paid for by the Underwriters at the Closing (hereinafter defined in Section 8). The Underwriters agree to make an offering of all of the Series 2020 Bonds at the initial offering prices set forth on the inside cover page of the Official Statement, and they shall confirm in writing to the Authority at or prior to the Closing, the principal amount (or percentage of principal amount) and the corresponding price (or the yield resulting from such price) at which the Series 2020 Bonds were sold pursuant to such offering. Unless otherwise notified in writing by the Representative by the Closing, the Authority can assume that the “end of the underwriting period” for purposes of Rule 15c2-12 of the Federal Securities Exchange Act of 1934, as amended (the “Rule”), shall be the Closing. In the event such notice is so given in writing by the Representative, the Representative agrees to notify the Authority in writing following the occurrence of the “end of the underwriting period” as defined in the Rule.

4. **Security Deposit.** In connection with execution of this Bond Purchase Agreement, the Representative will wire transfer to the Authority \$1,000,000 (the “Good Faith Deposit”), as security for the performance by the Underwriters of their obligations to purchase, accept delivery of and pay for the Series 2020 Bonds at the Closing in accordance with the provisions of this Bond Purchase Agreement. The Good Faith Deposit shall be applied as a credit towards the purchase price for the Series 2020 Bonds and such application of the Good Faith Deposit shall be evidenced in the Authority’s closing memorandum relating to the Series 2020 Bonds. In the event the Authority does not accept this offer, or upon the failure by the Authority to deliver the Series 2020 Bonds at the Closing, or should the Authority be unable to satisfy the conditions to the obligations of the Underwriters to purchase, accept delivery of and pay for the Series 2020 Bonds, as set forth in this Bond Purchase Agreement (unless waived by the Underwriters), or should such obligations of the Underwriters be terminated for any reason permitted by this Bond Purchase Agreement, the Good Faith Deposit shall immediately be returned to the Representative. In the event the Underwriters fail (other than for a reason permitted hereunder) to purchase, accept delivery of and pay for the Series 2020 Bonds at the Closing as herein provided, the Good Faith Deposit shall be retained by the Authority as and for full liquidated damages for such failure of the Underwriters and for any and all defaults hereunder on the part of the Underwriters, and the retention of such Good Faith Deposit shall constitute a full release and discharge of the claims and damages for such

failure and for any and all such defaults. The Underwriters understand that in such event the Authority's actual damages may be less than such amount. Accordingly, the Underwriters hereby waive any right to claim that the Authority's actual damages are less than such amount and the Authority's retention of such Good Faith Deposit shall constitute a waiver of any right the Authority may have to additional damages from the Underwriters.

5. **Official Statement.** (a) The Authority has delivered or caused to be delivered to the Underwriters copies of the Preliminary Official Statement dated September 8, 2020 (which, together with the cover page, schedule and appendices thereto, is herein referred to as the "Preliminary Official Statement"), in a "designated electronic format," as defined in the Municipal Securities Rulemaking Board's (the "MSRB") Rule G-32 ("Rule G-32") and which has been agreed to by the Authority and the Representative. The Representative hereby confirms that the Preliminary Official Statement was delivered in such format. The Authority hereby approves, ratifies and confirms the distribution and use of the Preliminary Official Statement by the Underwriters in connection with the public offering, sale and distribution of the Series 2020 Bonds before the Official Statement described below becomes available. The Preliminary Official Statement has been "deemed final" by the Authority as of its date for purposes of the Rule, except for the omission of items specified by paragraph (b)(1) of the Rule. If the Official Statement is prepared for distribution in electronic form, the Authority hereby confirms that it does not object to distribution of the Official Statement in electronic form.

(b) Not more than seven (7) business days after the time of the execution of this Bond Purchase Agreement, the Authority shall prepare and deliver to the Underwriters a sufficient number of copies of the final Official Statement relating to the Series 2020 Bonds, approved by one or more duly authorized officers of the Authority, which will be (1) dated the date of this Bond Purchase Agreement, (2) complete within the meaning of the Rule, (3) substantially in the form of the most recent version of the Preliminary Official Statement provided to the Underwriters before the execution hereof and (4) in both a "designated electronic format" consistent with the requirements of Rule G-32, the satisfaction of which shall be confirmed by the Representative prior to Closing, and in a printed format in such quantity as the Underwriters shall reasonably request to permit the Underwriters to comply with Section (b)(4) of the Rule and the rules of the MSRB. Such final Official Statement, including the cover page thereto, all exhibits, appendices, maps, charts, pictures, diagrams, reports, and statements included or incorporated therein or attached thereto, and all amendments and supplements thereto that may be authorized for use with respect to the Series 2020 Bonds, is herein referred to as the "Official Statement." The Authority hereby authorizes the distribution and use of the Official Statement and the information contained therein by the Underwriters in connection with the public offering and sale of the Series 2020 Bonds. Until the Official Statement has been prepared and is available for distribution, the Authority shall provide to the Underwriters sufficient quantities of the Preliminary Official Statement (which may be in electronic form) as the Underwriters deem necessary to satisfy the obligation of the Underwriter under the Rule with respect to distribution to each potential customer, upon request, of a copy of the Preliminary Official Statement.

(c) If, after the date of this Bond Purchase Agreement to and including the date the Underwriters are no longer required to provide an Official Statement to potential customers who request the same pursuant to the Rule (the earlier of (i) 90 days from the "end of the underwriting period" (as defined in the Rule) and (ii) the time when the Official Statement is available to any

person from the MSRB, but in no case less than 25 days after the "end of the underwriting period" for the Series 2020 Bonds), the Authority becomes aware of any fact or event which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to 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, or if it is necessary to amend or supplement the Official Statement to comply with law, the Authority will notify the Representative (and for the purposes of this clause provide the Representative with such information as it may from time to time request), and if, in the reasonable opinion of the Representative, such fact or event requires preparation and publication of a supplement or amendment to the Official Statement, the Authority will forthwith prepare and furnish, at the Authority's own expense (in a form and manner approved by the Representative), a reasonable number of copies of either amendments or supplements to the Official Statement so that the statements in the Official Statement as so amended and supplemented will not contain any 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 not misleading or so that the Official Statement will comply with law; provided, however, that for all purposes of this Bond Purchase Agreement and any certificate delivered by the Authority in accordance herewith, the Authority makes no representations with respect to the description in the Preliminary Official Statement or the Official Statement of the Depository Trust Company, New York, New York, or its book-entry system. If such notification shall be subsequent to the Closing, the Authority shall furnish such legal opinions, certificates, instruments, and other documents as the Representative may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement. The Authority shall provide any such amendment or supplement, or cause any such amendment or supplement to be provided, (i) in a "designated electronic format" consistent with the requirements of Rule G-32, the satisfaction of which shall be confirmed by the Underwriters in connection with the printing of any such supplement or amendment, and (ii) in a printed format in such quantity as the Underwriters shall reasonably request in order for the Underwriters to comply with Section (b)(4) of the Rule and the rules of the MSRB. The Authority will not amend or supplement the Official Statement without the prior written consent of the Representative, which consent shall not unreasonably be withheld.

(d) To the extent required by rules of the SEC or the MSRB, the Authority hereby authorizes the Representative to file, and the Representative hereby agrees to file, the Official Statement with the MSRB or its designee, including submission to the MSRB's Electronic Municipal Market Access system (together with any other electronic municipal securities information access system designated by the MSRB for collecting and disseminating primary offering documents and information, "EMMA"), within the timeframe required by Rule G-32 of the MSRB. Such Official Statement shall be delivered in the currently required designated format as stated in Rule G-32 and the EMMA Dataport Manual (as hereinafter defined). "EMMA Dataport Manual" means the document(s) designated as such and published by the MSRB from time to time that sets forth the processes and procedures with respect to submissions to be made to the primary market disclosure service of EMMA by underwriters under MSRB Rule G-32. In this connection, the Representative hereby agrees to timely file the Official Statement with the MSRB or its designee and to notify the Authority of the date of such filing.

(e) The Authority further agrees to provide the Underwriters with the advance refunding documents (as defined in Rule G-32) in a word-searchable PDF format as described in

the Rule G-32 and shall provide such electronic copy of the word-searchable PDF format of the advance refunding documents to the Underwriter(s) no later than four (4) business days after the Closing to enable the Underwriters to comply with Rule G-32.

(f) Unless otherwise notified in writing by the Representative, the Authority may assume that the "end of the underwriting period" for purposes of the Rule will be the Closing.

6. Establishment of Issue Price of the Series 2020A Bonds.

(a) The Representative, on behalf of the Underwriters, agrees to assist the Authority in establishing the issue price of the Series 2020A Bonds and shall execute and deliver to the Authority on or before Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, the Authority and Co-Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2020A Bonds. All actions to be taken by the Authority under this section to establish the issue price of the Series 2020A Bonds may be taken on behalf of the Authority by the Authority's financial advisor, Masterson Advisors LLC, Houston, Texas, and any notice or report to be provided to the Authority may be provided to the Authority's financial advisor.

(b) Except as otherwise set forth in the Issue Price Certificate attached hereto, the Authority will treat the first price or prices at which 10% of each maturity of the Series 2020A Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Bond Purchase Agreement, the Representative shall report to the Authority the price or prices at which the Underwriters have sold to the public each maturity of the Series 2020A Bonds. If at the time the 10% test has not been satisfied as to any maturity of the Series 2020A Bonds, the Representative agrees to promptly report to the Authority the prices at which the Series 2020A Bonds of that maturity have been sold by the Underwriters to the public. That reporting obligation shall continue, whether or not the Closing has occurred, until either (i) the Underwriters have sold all Series 2020A Bonds of that maturity or (ii) the 10% test has been satisfied as to the Series 2020A Bonds of that maturity, provided that, the Underwriters' reporting obligation after the Closing may be at reasonable periodic intervals or otherwise upon request of the Representative, the Authority or Co-Bond Counsel. For purposes of this Section, if Series 2020A Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Series 2020A Bonds.

(c) The Representative confirms that the Underwriters have offered the Series 2020A Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the Issue Price Certificate attached hereto, except as otherwise set forth therein. The Issue Price Certificate also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Series 2020A Bonds for which the 10% test has not been satisfied and for which the Authority and the Representative, on behalf of the Underwriters, agree that the restrictions set forth in the next sentence shall apply, which will allow the Authority to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the

Series 2020A Bonds, the Underwriters will neither offer nor sell unsold Series 2020A Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) the date on which the Underwriters have sold at least 10% of that maturity of the Series 2020A Bonds to the public at a price that is no higher than the initial offering price to the public.

The Representative will advise the Authority promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Series 2020A Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Representative confirms that:

- (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the Representative is a party) relating to the initial sale of the Series 2020A Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to

- (A)(i) report the prices at which it sells to the public the unsold Series 2020A Bonds of each maturity allocated to it, whether or not the Closing has occurred, until either all Series 2020A Bonds of that maturity allocated to it have been sold or it is notified by the Representative that the 10% test has been satisfied as to the Series 2020A Bonds of that maturity, provided that, the reporting obligation after the Closing may be at reasonable periodic intervals or otherwise upon request of the Representative, and (ii) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative and as set forth in the related pricing wires,

- (B) to promptly notify the Representative of any sales of Series 2020A Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Series 2020A Bonds to the public (each such term being used as defined below), and

- (C) to acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Representative shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the public.

- (ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Series 2020A Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter or dealer that is a party to a retail distribution agreement to be employed in connection with the initial sale of the

Series 2020A Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2020A Bonds of each maturity allocated to it, whether or not the Closing has occurred, until either all Series 2020A Bonds of that maturity allocated to it have been sold or it is notified by the Representative or such Underwriter or dealer that the 10% test has been satisfied as to the Series 2020A Bonds of that maturity, provided that, the reporting obligation after the Closing may be at reasonable periodic intervals or otherwise upon request of the Representative or such Underwriter or dealer and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative or the Underwriter and as set forth in the related pricing wires.

(e) The Authority acknowledges that, in making the representations set forth in this subsection, the Representative will rely on (i) the agreement of each Underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Series 2020A Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Series 2020A Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The Authority further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Series 2020A Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2020A Bonds, and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party retail distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing the issue price of the Series 2020A Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2020A Bonds.

(f) The Underwriters acknowledge that sales of any Series 2020A Bonds to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) “public” means any person other than a tax law underwriter or a related party,

(ii) “tax law underwriter” means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2020A Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2020A Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2020A Bonds to the public),

(iii) a purchaser of any of the Series 2020A Bonds is a “related party” to a tax law underwriter if the tax law underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “sale date” means the date of execution of this Bond Purchase Agreement by all parties.

7. **Representations, Warranties and Agreements of Authority.** On the date hereof, the Authority represents, warrants and agrees as follows:

(a) The Authority is a validly created and existing sports and community venue district organized pursuant to Chapters 334 and 335, Texas Local Government Code and is a political subdivision of the State of Texas, Harris County Texas, and the City of Houston, Texas, duly created, existing and acting under the provisions of the Constitution and laws of the State of Texas and has full legal right, power and authority to enter into this Bond Purchase Agreement, to adopt the Indenture, to sell the Series 2020 Bonds, and to issue and deliver the Series 2020 Bonds to the Underwriters as provided herein pursuant to chapters 1207 and 1371 Texas Government Code, as amended, and to carry out and consummate all other transactions contemplated by the Indenture and this Bond Purchase Agreement;

(b) By official action of the Authority prior to or concurrently with the acceptance hereof, the Authority has duly adopted the Indenture, has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations contained in the Series 2020 Bonds, the Indenture, and this Bond Purchase Agreement;

(c) To the best of its knowledge, the Authority is not in breach of or default under any applicable law or administrative regulation of the State of Texas or the United States or any applicable judgment or decree or any loan agreement, note, indenture, agreement or other instrument, except as may be disclosed in the Official Statement, to which the Authority is a party or is otherwise subject, which would have a material and adverse effect upon the business or financial condition of the Authority, and the execution and delivery of this Bond Purchase Agreement by the Authority and the execution and delivery of the Series 2020 Bonds and the adoption of the Indenture by the Authority and compliance with the provisions of each thereof will not violate or constitute a breach of or default under any existing law, administrative regulation, judgment, decree or any agreement or other instrument to which the Authority is a party or is otherwise subject;

(d) All approvals, consents and orders of any governmental authority or agency having jurisdiction of any matter which would constitute a condition precedent to the performance by the Authority of its obligations to sell and deliver the Series 2020 Bonds hereunder will have been obtained prior to the Closing;

(e) The Authority duly authorized, approved and deemed final the Preliminary Official Statement as of its date solely for purposes and within the meaning of paragraph (b)(1) of the Rule, except for information permitted to be omitted therefrom by the Rule.

(f) As of its date and at the time of the Closing, the Official Statement does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(g) Between the date of this Bond Purchase Agreement and Closing, the Authority will not, without the prior written consent of the Representative, issue any additional bonds or other obligations for borrowed money payable in whole or in part from the Trust Estate (as defined in the Indenture), and the Authority will not incur any material liabilities, direct or contingent, relating to, nor will there be any adverse change of a material nature in the financial position of, the Authority, except for as may be disclosed in the Official Statement;

(h) No litigation is pending or, to the knowledge of the Authority, threatened in any court affecting the corporate existence of the Authority, the title of its officers to their respective offices, or seeking to restrain or enjoin the issuance or delivery of the Series 2020 Bonds, or the pledge or collection of the Trust Estate to pay the principal of and interest on the Series 2020 Bonds, or in any way contesting or affecting the issuance, execution, delivery, payment, security or validity of the Series 2020 Bonds, or in any way contesting or affecting the validity or enforceability of the Indenture or this Bond Purchase Agreement, or contesting the powers of the Authority, or the authorization of the Series 2020 Bonds, the Indenture or this Bond Purchase Agreement, or contesting in any way the completeness, accuracy or fairness of the Preliminary Official Statement or the Official Statement, or materially and adversely affecting the financial condition of the Authority;

(i) The Authority will cooperate with the Underwriters in arranging for the qualification of the Series 2020 Bonds for sale and the determination of their eligibility for investment under the laws of such jurisdictions as the Underwriters designate, and will use their best efforts to continue such qualifications in effect so long as required for distribution of the Series 2020 Bonds; provided, however, that the Authority will not be required to execute a general consent to service of process or to qualify to do business in connection with any such qualification in any jurisdiction;

(j) The descriptions contained in the Official Statement of the Series 2020 Bonds and the Indenture (and related definitions) accurately reflect the provisions of such instruments in all material respects, and the Series 2020 Bonds, when validly executed, authenticated and delivered in accordance with the Indenture and sold to the Underwriters as provided herein, will be validly issued and outstanding obligations of the Authority entitled to the benefits of, and subject to the limitations contained in, the Indenture;

(k) If prior to the Closing an event occurs affecting the Authority which is materially adverse for the purpose for which the Official Statement is to be used and is not disclosed in the Official Statement, the Authority shall notify the Representative, and if in the opinion of the Representative such event requires a supplement or amendment to the Official Statement, the Authority will supplement or amend the Official Statement in a form and in a manner approved by Co-Underwriters' Counsel (defined herein) and reasonably acceptable to the Authority and the Representative;

(l) At Closing, the Authority will direct the Trustee to apply the proceeds from the sale of the Series 2020 Bonds, as specified in the Indenture; and

(m) Any certificate signed by any officer of the Authority and delivered to the Representative shall be deemed a representation and warranty of the Authority to each of the Underwriters as to the truth of the statements made therein.

8. **Closing.** At 10:00 a.m., Houston Time, on October 9, 2020 (or such other time and date agreed upon by the Authority and the Representative), the Authority will deliver the Initial Bonds (as defined in and required by the Indenture) to the Underwriters and will have the Series 2020 Bonds available at The Depository Trust Company, as hereinafter required, for immediate exchange, together with the other documents hereinafter mentioned, and the Underwriters will accept such delivery and pay the respective purchase prices of the Series 2020 Bonds as set forth in Section 1 herein in immediately available funds. As described in Section 4 hereof, the Good Faith Deposit will be applied as a credit towards the purchase price of the Series 2020 Bonds. Delivery and payment as aforesaid shall be made at the offices of Norton Rose Fulbright US LLP, 1301 McKinney Street, Suite 5100, Houston, Texas 77010, or such other place as shall have been mutually agreed upon by the Authority and the Representative. Delivery of the Series 2020 Bonds in definitive form shall be made at The Depository Trust Company, New York, New York. The Series 2020 Bonds shall be delivered in fully registered form bearing CUSIP numbers without coupons with one certificate for each maturity registered in the name of CEDE & CO. and shall be made available to the Representative at least one business day before the Closing for purposes of inspection.

9. **Conditions.** The Underwriters have entered into this Bond Purchase Agreement in reliance upon the representations and warranties of the Authority contained herein and to be contained in the documents and instruments to be delivered at or prior to the Closing, and upon the performance by the Authority of its obligations hereunder, both as of the date hereof and as of the date of Closing. Accordingly, the Underwriters' obligations under this Bond Purchase Agreement to purchase and pay for the Series 2020 Bonds shall be subject to the performance by the Authority of its obligations to be performed hereunder and under such documents and instruments to be delivered at or prior to the Closing, and shall also be subject to the following conditions:

(a) The representations and warranties of the Authority contained herein shall be true, complete and correct in all material respects on the date hereof and on and as of the date of Closing, as if made on the date of Closing;

(b) At the time of the Closing, the Indenture shall be in full force and effect, and the Indenture shall not have been amended, or supplemented in any material respect, except as contemplated in the Official Statement, and the Official Statement shall not have been amended, modified or supplemented, except as may have been agreed to by the Underwriters;

(c) The Authority shall have entered into a continuing disclosure undertaking, which may be included in the Indenture, in order for the Underwriters to comply with the Rule;

(d) At the time of the Closing, all official action of the Authority related to the Indenture shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect, except as contemplated in the Official Statement or as may have been agreed to by the Underwriters;

(e) The Authority shall not have failed to pay principal or interest when due on any of its outstanding obligations for borrowed money;

(f) The Series 2020A Bonds and Series 2020B Bonds have together received underlying ratings of “A3” by Moody’s Investors Service, Inc. (“Moody’s”) and “BBB” by S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”). The Series 2020C Bonds have received underlying ratings of “Baa1” by Moody’s and “BBB-” by S&P;

(g) The Series 2020 Bonds will be insured by AGM and will have received ratings of “A2” from Moody’s and “AA” from S&P, based on the Policies to be issued by AGM;

(h) At or prior to the Closing, the Underwriters shall have received two copies of each of the following documents:

(i) The Official Statement of the Authority;

(ii) The Bond Resolution of the Authority authorizing the Indenture, this Bond Purchase Agreement and other agreements related to the Series 2020 Bonds (all as defined and described in the Official Statement) certified by the Secretary of the Authority as having been duly adopted by the Authority and as being in effect, with no changes or amendments in any material respect except as may have been agreed to by the Underwriters;

(iii) An opinion or opinions for each series of the Series 2020 Bonds, dated the date of Closing, of Norton Rose Fulbright US LLP and The Hardwick Law Firm, Co-Bond Counsel to the Authority, in substantially the forms and substance of Appendix E to the Official Statement, together with a reliance letter addressed to the Representative;

(iv) A supplemental opinion, dated the date of Closing, of Co-Bond Counsel to the Authority, addressed to the Authority and the Representative, in form and substance reasonably satisfactory to the Authority and the Representative and their respective counsel, in substantially the form set forth in Exhibit C attached hereto;

(v) An opinion or opinions dated on or prior to the date of Closing of the Attorney General of Texas approving the Series 2020 Bonds, as required by law, and a certificate of the Comptroller of Public Accounts of the State of Texas regarding the registration of the Series 2020 Bonds as required by law;

(vi) An opinion or opinions of, Orrick Herrington & Sutcliffe LLP and The Law Office of Wendy Montoya Cloonan, PLLC, Co-Special Disclosure Counsel, addressed to the Authority and the Representative, in form and substance reasonably satisfactory to the Representative and Co-Underwriters' Counsel, in substantially the form set forth in Exhibit D attached hereto;

(vii) An opinion or opinions of Hunton Andrews Kurth LLP as General Counsel to the Authority, in form and substance reasonably satisfactory to the Co-Special Disclosure Counsel, the Representative and Co-Underwriters' Counsel, in substantially the form set forth in Exhibit E attached hereto;

(viii) An opinion or opinions of Bracewell LLP and West & Associates, L.L.P., as Co-Underwriters' Counsel, dated the date of Closing addressed to the Representative in form and substance reasonably satisfactory to the Representative, in substantially the form set forth in Exhibit F attached hereto;

(ix) An opinion or opinions of counsel to the Insurer and/or officers' certificates of the Insurer, dated the date of Closing addressed to the Representative in form and substance reasonably satisfactory to the Representative and Co-Underwriters' Counsel;

(x) A certificate, dated the date of Closing, signed by the Chairman and the Secretary of the Board, to the effect that (i) the representations and warranties of the Authority contained therein are true and correct in all material respects on and as of the date of Closing as if made on the date of Closing; (ii) except to the extent disclosed in the Official Statement, no litigation is pending or, to the knowledge of such persons, threatened in any court to restrain or enjoin the issuance or delivery of the Series 2020 Bonds, or the pledge of the Trust Estate to pay the principal of and interest on the Series 2020 Bonds, or in any way contesting or affecting the validity of the Series 2020 Bonds, the Indenture, or this Bond Purchase Agreement, or contesting the powers of the Authority or contesting the authorization of the Series 2020 Bonds or the Indenture, or contesting in any way the accuracy, completeness or fairness of the Preliminary Official Statement or the Official Statement (but in lieu of or in conjunction with such certificate, the Underwriters may, in their discretion, accept certificates or opinions of Co-Bond Counsel or the General Counsel of the Authority, that, in his or her opinion, the issues raised in any such pending or threatened litigation are without substance or that the contentions of all plaintiffs therein are without merit); (iii) to the best of their knowledge, no event affecting the Authority has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any respect, in a form and in a manner approved by the Co-Underwriters' Counsel;

(xi) A fully executed 2020B Escrow Agreement related to refunding of the Series 2020B Refunded Obligations and a fully executed 2020C Escrow Agreement related to the refunding of the Series 2020C Refunded Obligations (collectively, the “Escrow Agreements”);

(xii) A verification report from Samuel Klein and Company, independent certified public accountants, in conjunction with Public Finance Partners LLC in form and substance reasonably satisfactory to the Representative and Co-Underwriters’ Counsel; and

(xiii) Such additional legal opinions, certificates, instruments and other documents as Co-Bond Counsel, Co-Special Disclosure Counsel or the Underwriters may reasonably request to evidence the truth, accuracy and completeness, as of the date hereof and as of the date of Closing, of the Authority’s representations and warranties contained herein and of the statements and information contained in the Official Statement and the due performance and satisfaction by the Authority at or prior to the date of Closing of all agreements then to be performed and all conditions then to be satisfied by the Authority.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Bond Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are reasonably satisfactory to the Underwriters.

If the Authority shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Series 2020 Bonds as set forth in this Bond Purchase Agreement, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Series 2020 Bonds shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Underwriters nor the Authority shall be under further obligation hereunder, except that: (i) the Good Faith Deposit referred to in Section 4 herein shall be immediately returned to the Representative by the Authority, and (ii) the respective obligations of the Authority and the Underwriters set forth in Sections 11 and 13 herein shall continue in full force and effect.

10. **Termination.** The Underwriters may terminate their obligation to purchase at any time before the Closing if any of the following should occur:

(a) The House of Representatives or the Senate of the Congress of the United States, or a committee of either, shall have pending before it, or shall have passed or recommended favorably, legislation introduced previous to the date hereof, which legislation, if enacted in its form as introduced or as amended, would have the purpose or effect of imposing federal income taxation upon revenues or other income of the general character to be derived by the Authority or by any similar body or upon interest received on obligations of the general character of the Series 2020A Bonds, or of causing interest on obligations of the general character of the Series 2020A Bonds, to be includable in gross income for purposes of federal income taxation, and such legislation, in the Representative’s opinion, materially adversely affects the market price of the Series 2020A Bonds.

(b) A tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States, or legislation shall be favorably reported or re-reported by such a committee or be introduced, by amendment or otherwise, in or be passed by the House of Representatives or the Senate, or recommended to the Congress of the United States for passage by the President of the United States, or be enacted or a decision by a federal court of the United States or the United States Tax Court shall have been rendered, or a ruling, release, order, regulation or official statement by or on behalf of the United States Treasury Department, the Internal Revenue Service or other governmental agency shall have been made or proposed to be made having the purpose or effect, or any other action or event shall have occurred which has the purpose or effect, directly or indirectly, of adversely affecting the federal income tax consequences of owning the Series 2020A Bonds or of any of the transactions contemplated in connection herewith, including causing interest on the Series 2020A Bonds to be included in gross income for purposes of federal income taxation, or imposing federal income taxation upon revenues or other income of the general character to be derived by the Authority or by any similar body or upon interest received on obligations of the general character of the Series 2020A Bonds, which, in the opinion of the Representative, materially adversely affects the market price of or market for the Series 2020 Bonds.

(c) Any event shall have occurred or any information shall have become known to the Underwriters which causes the Representative to reasonably believe that the Official Statement as then amended or supplemented includes an untrue statement of a material fact, or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(d) There shall have occurred any new outbreak or escalation of hostilities (including, without limitation, an act of terrorism), or any new national or international calamity or crisis (including, without limitation, a financial crisis or any outbreak of an epidemic or other public health crisis) or escalation of any calamity or crisis (including without limitation, an escalation of the outbreak of COVID-19) and the effect of which on the financial markets of the United States would, in the reasonable judgment of the Representative, materially adversely affect the market price of, or market for, the Series 2020 Bonds or the ability of the Underwriters to enforce contracts for the sale of the Series 2020 Bonds.

(e) Any proceeding shall be pending or threatened by the Securities and Exchange Commission against the Authority.

(f) Any action shall have been taken by the Securities and Exchange Commission or by a court which would require registration of any security under the Securities Act of 1933, as amended, or qualification of any indenture under the Trust Indenture Act of 1939, as amended, in connection with the public offering of the Series 2020 Bonds, or any action shall have been taken by any court or by any governmental authority suspending the use of the Official Statement or any amendment or supplement thereto, or any proceeding for that purpose shall have been initiated or threatened in any such court or by any such authority.

(g) (i) The Constitution of the State of Texas shall be amended or an amendment shall be proposed, or (ii) legislation shall be enacted, or (iii) a decision shall have been rendered as to matters of Texas law, or (iv) any order, ruling or regulation shall have been issued or proposed

by or on behalf of the State of Texas by an official, agency or department thereof, affecting the tax status of the Authority, its property or income, its bonds (including the Series 2020 Bonds) or the interest thereon, which in the judgment of the Representative would materially affect the market price of the Series 2020 Bonds.

(h) There shall have occurred (i) a general suspension of trading in securities shall have occurred on the New York Stock Exchange, or (ii) any national securities exchange shall have: (A) imposed additional material restrictions not in effect as of the date hereof with respect to trading in securities generally, or to the Series 2020 Bonds or similar obligations; or (B) materially increased restrictions now in effect with respect to the extension of credit by or the charge to the net capital requirements of underwriters or broker-dealers which, in each of the foregoing clauses (i), (ii)(A) and (ii)(B), in the reasonable judgment of the Representative, materially adversely affects the market price or marketability of the Series 2020 Bonds or the ability of the Underwriters to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Series 2020 Bonds.

(i) An event described in Section 7(j) herein occurs which, in the opinion of the Underwriters, requires a supplement or amendment to the Official Statement.

(j) A general banking moratorium shall have been declared by authorities of the United States, the State of New York or the State of Texas.

11. **Expenses.** (a) The Underwriters shall be under no obligation to pay, and the Authority shall pay or cause to be paid, any expenses incident to the performance of the Authority's obligations hereunder, including but not limited to: (i) the cost of the preparation, printing and distribution of the Preliminary Official Statement and the Official Statement; (ii) the cost of the preparation and printing of the Series 2020 Bonds; (iii) the fees and expenses of Co-Bond Counsel and Special Co-Disclosure Counsel to the Authority; (iv) the fees and disbursements of the Authority's General Counsel, accountants, advisors, and of any other experts or consultants retained by the Authority; (v) all costs of the Authority in connection with the issuance of the Series 2020 Bonds, which are to be paid by the Authority pursuant to agreements with the Authority, including all costs and expenses relating to bond insurance, and costs of qualifying the Series 2020 Bonds under any applicable Blue Sky laws; (vi) all costs of examination of the Series 2020 Bonds by the Attorney General of Texas; (viii) fees for bond ratings; (ix) CUSIP fees; and (x) any travel, lodging, meals, entertainment or other expenses incurred by the Authority incident thereto.

(b) The Underwriters shall pay (from the expense component of the Underwriters' discount): (i) all advertising expenses of the Underwriters in connection with the offering of the Series 2020 Bonds; (ii) the cost of the preparation and printing of all the underwriting documents, including this Bond Purchase Agreement, and (iii) all other expenses incurred by them in connection with their offering and distribution of the Series 2020 Bonds, including the fees of Co-Underwriters' Counsel. Additionally, unless the Authority and the Representative otherwise agree, the Authority shall pay for any expenses (included in the expense component of the Underwriters' discount) incurred by the Underwriters on behalf of the Authority in connection with the marketing, issuance and delivery of the Series 2020 Bonds, including, but not limited to, meals, transportation and lodging of the Authority's employees and representatives.

12. **Notices.** Any notice or other communication to be given to the Authority under this Bond Purchase Agreement may be given by delivering the same in writing at the address for the Authority set forth above, and any notice or other communication to be given to the Underwriters under this Bond Purchase Agreement may be given by delivering the same in writing to Wells Fargo Securities LLC, 30 Hudson Yards, 62nd Floor, New York, New York, 10001 Attention: Randall Campbell.

13. **Parties in Interest.** This Bond Purchase Agreement is made solely for the benefit of the Authority and the Underwriters (including the successors or assigns of any Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof. The Authority's representations, warranties and agreements contained in this Bond Purchase Agreement shall remain operative and in full force and effect, regardless of (i) any investigations made by or on behalf of the Underwriters, and (ii) delivery of any payment for the Series 2020 Bonds hereunder; and the Authority's representations and warranties, as of the date hereof, contained in Section 7 of this Bond Purchase Agreement shall remain operative and in full force and effect, regardless of any termination of this Bond Purchase Agreement.

14. **Effective Date.** This Bond Purchase Agreement shall become effective upon the execution of the acceptance hereof by the Chairman of the Board and shall be valid and enforceable as of the time of such acceptance and execution.

15. **No Fiduciary Duty.** The Authority acknowledges and agrees that (i) the Underwriters are not acting as municipal advisors within the meaning of Section 15B of the Securities Exchange Act, as amended, (ii) the primary role of the Underwriters, as underwriters, is to purchase the Series 2020 Bonds, for resale to investors, in an arm's-length commercial transaction between the Authority and the Underwriters and the Underwriters have interests that differ from those of the Authority, (iii) in connection with such transaction, each Underwriter is acting solely as a principal and not as a municipal advisor, financial advisor or a fiduciary to the Authority, (iii) the Underwriters have not assumed (individually or collectively) any advisory or fiduciary responsibility in favor of the Authority with respect to the offering of the Series 2020 Bonds or the process leading thereto (whether or not any Underwriter, or any affiliate of an Underwriter, has advised or is currently advising the Authority on other matters) or any other obligation to the Authority except the obligations expressly set forth in this Bond Purchase Agreement and (iv) the Authority has consulted with its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deemed appropriate in connection with the offering of the Series 2020 Bonds.

The Authority also acknowledges and agrees that the Representative and its respective affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the Authority (including, for example, serving as the dealer manager in connection with the tender referenced in Section 1 herein), for which it has received or will receive customary fees and expenses.

16. **Form 1295.** The Authority acknowledges receipt from each Underwriter of (i) a completed and executed Form 1295 submitted to the Authority pursuant to the provisions of Section 2252.908, Texas Government Code, as amended (collectively, the "Certificates of Interested Parties") and has notified the Texas Ethics Commission (the "TEC"), in the electronic

format prescribed by the TEC, of the receipt of the Certificates of Interested Parties in accordance with the provisions of Section 2252.908, Texas Government Code, as amended, or (ii) evidence satisfactory to the Authority regarding such Underwriter's exemption from the requirements of Section 2252.908, Texas Government Code, as amended. The Underwriters and the Authority understand and agree that, with the exception of information identifying the Authority and the contract identification number in the Underwriters' Certificates of Interested Parties, neither the Authority nor its consultants are responsible for the information contained in the Certificates of Interested Parties and neither the Authority nor its consultants have verified such information.

17. **Anti-Boycott Verification.** The Underwriters represent that, to the extent this Bond Purchase Agreement constitutes a contract for goods or services within the meaning of Section 2271.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2271 of the Texas Government Code, and subject to applicable federal law, including without limitation 50 U.S.C. Section 4607, none of the Underwriters, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Underwriters (i) boycotts Israel or (ii) will boycott Israel through the term of this Bond Purchase Agreement. The terms "boycotts Israel" and "boycott Israel" as used in this paragraph mean 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. Notwithstanding the foregoing, the Authority acknowledges representations made in this Section 17 are made by the Representative on behalf of itself and, solely based on the representations made by the other Underwriters to the Representative. The Underwriters representations shall be evidenced in substantially the form set forth in Exhibit G hereto.

18. **Iran, Sudan and Foreign Terrorist Organizations.** The Underwriters represent that, to the extent this Bond Purchase Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of compliance with Section 2252.152 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, none of the Underwriters, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Underwriters (i) engages in business with Iran or Sudan in violation of United States law, or any foreign terrorist organization as described in Chapter 808 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 808.051, or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" in this paragraph means an organization designated as a foreign terrorist organization by the United States secretary of state as authorized by 8 U.S.C. Section 1189. Notwithstanding the foregoing, the Authority acknowledges representations made in this Section 18 are made by the Representative on behalf of itself and, solely based on the representations made by the other Underwriters to the Representative. The Underwriters representations shall be evidenced in substantially the form set forth in Exhibit G hereto.

19. **Entire Agreement.** This Bond Purchase Agreement represents the entire agreement between the Authority and the Representative with respect to the preparation of the Official Statement, the conduct of the offering and the purchase and sale of the Series 2020 Bonds. This Bond

Purchase Agreement shall only be amended, supplemented or modified in a writing signed by both of the parties hereto.

[The remainder of this page is left blank intentionally.]

Very truly yours,

WELLS FARGO BANK, NATIONAL ASSOCIATION
as Representative
Estrada Hinojosa & Company, Inc.
Morgan Stanley & Co., LLC

By: WELLS FARGO BANK, NATIONAL ASSOCIATION

By: 
Title: Managing Director

Accepted:

This September day of 30, 2020

HARRIS COUNTY-HOUSTON
SPORTS AUTHORITY

By:



J. Kent Friedman, Chairman

EXHIBIT A
TERMS CERTIFICATE

TERMS CERTIFICATE

Re: Harris County-Houston Sports Authority
Senior Lien Revenue Refunding Bonds, Series 2020A
(the "Series 2020A Bonds")
Taxable Senior Lien Revenue Refunding Bonds, Series 2020B
(the "Series 2020B Bonds")
Taxable Second Lien Revenue Refunding Bonds, Series 2020C
(the "Series 2020C Bonds")

I, the undersigned officer of the Harris County-Houston Sports Authority (the "Authority"), do hereby make and execute this Certificate pursuant to Section 1.2(b) of Resolution No. 2020 - 05 approved by the Board of Directors of the Authority on August 27, 2020 (the "Bond Resolution"), authorizing, among other matters, the issuance of the above referenced bonds (collectively, the "Bonds"). Capitalized terms used in this Certificate shall have the meaning given such terms in the Bond Resolution and in the Fourth Amended and Restated Indenture of Trust, originally dated as of August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014, the Twenty-Eighth Supplemental Indenture of Trust, the Twenty-Ninth Supplemental Indenture of Trust, the Thirtieth Supplemental Indenture of Trust and the Thirty-First Supplemental Indenture of Trust, each dated as of October 1, 2020, all by and between the Authority and UMB Bank, National Association, as trustee.

As authorized by Section 1.2(b) of the Bond Resolution, I have acted on behalf of the Authority in selling the Bonds to Wells Fargo Securities, as representative of the several underwriters named in the Bond Purchase Agreement authorized and approved pursuant to Section 1.4 of the Bond Resolution with Bonds having the following additional designations, terms, and provisions:

TERMS OF THE BONDS

- a. Principal Amounts. The Series 2020A Bonds shall be issued as Current Interest Bonds in the aggregate principal amount of \$52,035,000. The Series 2020B Bonds shall be issued as Current Interest Bonds in the aggregate principal amount of \$34,265,000. The Series 2020C Bonds shall be issued as Current Interest Bonds in the aggregate principal amount of \$25,865,000.
- b. Interest Rates and Initial Interest Payment Dates. The Series 2020 Bonds shall accrue interest from the date of delivery. The Initial Interest Payment Date for the Series 2020 Bonds shall be May 15, 2021.
- c. Maturities, Amounts, and Interest Rates. The Series 2020 Bonds shall mature on the following dates in the following principal amount, subject to prior redemption as set forth below, and bear interest at the following rates:

Series 2020A Bonds

<u>Maturity</u> <u>(November 15)</u>	<u>Principal Amount</u>	<u>Interest</u> <u>Rate (%)</u>
2056	\$52,035,000	3.125

Series 2020B Bonds

<u>Maturity</u> <u>(November 15)</u>	<u>Principal Amount</u>	<u>Interest</u> <u>Rate (%)</u>
2056	\$34,265,000	3.710

Series 2020C Bonds

<u>Maturity</u> <u>(November 15)</u>	<u>Principal Amount</u>	<u>Interest</u> <u>Rate (%)</u>
2040	\$25,865,000	3.860

- d. Optional Redemption. On November 15, 2030, and on any date thereafter, the Authority shall have the option of calling the Series 2020 Bonds maturing thereafter for redemption prior to maturity, in whole or in part, for an amount equal to the accrued interest thereon from the most recent Interest Payment Date to the date fixed for redemption.
- e. Term Bonds and Mandatory Redemption. The Series 2020A Bonds issued as term bonds maturing in the year 2056 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 the Mandatory Redemption Dates, and subject to the conditions set forth in the Indenture:

\$52,035,000 Series 2020A Term Bonds Maturing in November 15, 2056

<u>Mandatory</u> <u>Redemption Date</u> <u>(November 15)</u>	<u>Principal</u> <u>Amount</u>
2054	\$16,815,000
2055	17,340,000
2056*	17,880,000

*maturity

- f. The Series 2020B Bonds issued as term bonds maturing in the year 2056 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 the Mandatory Redemption Dates, and subject to the conditions set forth in the Indenture:

\$34,265,000 Series 2020B Term Bonds Maturing in November 15, 2056

Mandatory Redemption Date (November 15)	Principal Amount
2054	\$11,010,000
2055	11,415,000
2056*	11,840,000

*maturity

- g. The Series 2020C Bonds issued as term bonds maturing in the year 2040 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 the Mandatory Redemption Dates, and subject to the conditions set forth in the Indenture:

\$25,865,000 Series 2020B Term Bonds Maturing in November 15, 2040

Mandatory Redemption Date (November 15)	Principal Amount
2035	\$4,385,000
2036	4,175,000
2037	4,085,000
2038	4,240,000
2039	4,405,000
2040*	4,575,000

*maturity

- h. Loss. The issuance of the Bonds and refunding of the Refunded Obligations is in the best interests of the Authority.

The maximum amount by which the aggregate amount of payments to be made under the Series 2020 Bonds exceeds the aggregate amount of payments that would have been made under the terms of the Refunded Obligations (loss) is \$133,112,383.57 undiscounted, and \$12,131,405.29 million in net present value.

PURCHASE PRICES FOR SERIES 2020 BONDS

The purchase of the initial sale of the Series 2020A Bonds to the Original Purchaser is \$49,924,883.69 (being the aggregate principal amount of the Series 2020A Bonds, less the Original Purchaser's discount in the amount of \$302,420.41, less the original issue discount in the amount of \$1,807,695.90).

The purchase of the initial sale of the Series 2020B Bonds to the Original Purchaser is \$33,401,233.87 (being the aggregate principal amount of the Series 2020B Bonds, less the Original Purchaser's discount in the amount of \$200,053.08, less the original issue discount in the amount of \$663,713.05).

The purchase of the initial sale of the Series 2020C Bonds to the Original Purchaser is \$25,165,087.88 (being the aggregate principal amount of the Series 2020C Bonds, less the Original Purchaser's discount in the amount of \$170,455.57, less the original issue discount in the amount of \$529,456.55).

REFUNDED OBLIGATIONS

The bonds and certain payments of interest shown in Exhibit A will be purchased or defeased with proceeds of the Bonds (collectively, the "Refunded Obligations").

BOND INSURANCE AND SURETY POLICIES

The Authority approves the purchase of (i) three bond insurance policies from Assured Guaranty Municipal Corp. ("Assured") to provide municipal bond insurance for all of the Series 2020A Bonds, Series 2020B Bonds, and Series 2020C Bonds, and (ii) two surety policies from Assured to satisfy the debt service reserves for the Series 2020A and Series 2020B Bonds.

[Remainder of this Page Intentionally Left Blank]

WITNESS MY HAND, this September 30, 2020.



J. Kent Friedman
Chair

EXHIBIT A

REFUNDED OBLIGATIONS

Exhibit A - Refunded Obligations

Harris County Houston Sports Authority

Series 2020A Refunded Bonds (Tendered Bonds Purchased by the Authority)

Series	Stated Maturity	Original Principal Amount	CAB Maturity Amount	Interest Rate
Senior Lien Revenue Refunding Bonds, Series 2001A (CABs)	11/15/2021	\$ 120,443.40	\$ 395,000.00	5.880%
	11/15/2038 (Term)	66,406.90	665,000.00	6.240%
	11/15/2040 (Term)	202,354.00	2,300,000.00	6.250%
Senior Lien Revenue Refunding Bonds, Series 2014A (CIBs)	11/15/2021	12,995,000.00		5.000%
	11/15/2022	11,635,000.00		5.000%
	11/15/2023	11,690,000.00		5.000%
Second Lien Revenue Refunding Bonds, Series 2014C (CIBs)	11/15/2021	1,940,000.00		5.000%
	11/15/2022	1,675,000.00		5.000%

Series 2020B Refunded Obligations

	Stated Maturity	Principal Amount	Interest Rate	Refunded Interest Payment Date	Refunded Interest
Contribution to Series 2014A Senior Lien Principal Subaccount	11/15/2020	\$ 1,682,561.67			
Senior Lien Revenue Refunding Bonds, Series 2014A (CIBs)	11/15/2021	3,300,000.00	5.000%		
	11/15/2022	5,000,000.00	5.000%		
Contribution to Series 2001A Senior Lien Principal Subaccount	11/15/2020	179,436.86			

Series 2020B Refunded Interest

Senior Lien Revenue Refunding Bonds, Series 2014A	05/15/2021	\$ 6,461,875.00
	11/15/2021	6,461,875.00
	05/15/2022	6,461,875.00

Series 2020C Refunded Obligations

	Stated Maturity	Principal Amount	CAB Maturity Amount	Interest Rate	Refunded Interest Payment Date	Refunded Interest
Senior Lien Revenue Refunding Bonds, Series 2001A (CABs)	11/15/2021	\$ 1,215,106.20	\$ 3,985,000.00	5.880%		
Senior Lien Revenue Refunding Bonds, Series 2014A (CIBs)	11/15/2021	2,065,000.00		5.000%		
	11/15/2022	4,600,000.00		5.000%		
Contribution to Series 2014C Second Lien Principal Subaccount	11/15/2020	490,796.38				
Second Lien Revenue Refunding Bonds, Series 2014C (CIBs)	11/15/2021	1,150,000.00		5.000%		
	11/15/2022	1,570,000.00		5.000%		

Series 2020C Refunded Interest

Contribution to Series 2014C Second Lien Interest Subaccount	11/15/2020	\$ 443,216.70
Second Lien Revenue Refunding Bonds, Series 2014C (CIBs)	05/15/2021	1,355,875.00
	11/15/2021	1,355,875.00
	05/15/2022	1,355,875.00
	11/15/2022	1,355,875.00

EXHIBIT B

FORM OF ISSUE PRICE CERTIFICATE

I, the undersigned, an authorized officer of Wells Fargo Bank, National Association (as representative of an underwriting syndicate, the “Purchaser”) with respect to the \$52,035,000 Harris County-Houston Sports Authority Senior Lien Revenue Refunding Bonds, Series 2020A (the “Bonds”) being issued by the Harris County-Houston Sports Authority (the “Issuer”), hereby certifies and represents as follows:

(1) *Public Offering.* On or before the Sale Date, the Purchaser offered all the Bonds to the Public in a bona fide initial offering at the initial public offering prices listed on Schedule A (the “Initial Offering Prices”). Included in Schedule B is a copy of the pricing wire or similar communication used to document the initial offering of each Maturity to the Public at the related Initial Offering Prices.

(2) *Sale of the General Rule Maturities.* As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the Initial Offering Price, and all of the Bonds comprising the first 10% of sales for each General Rule Maturity were sold at the same price.

(3) *Initial Offering Price of the Hold-the-Offering Price Maturities.* As set forth in the Bond Purchase Agreement dated September 30, 2020 relating to the Bonds, the Purchaser has agreed in writing that, (i) for each Maturity of the Hold-the-Offering Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement to which the Purchaser is a party shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement to which the Purchaser is a party shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, the Purchaser has not offered or sold any Maturity of the Hold-the-Offering Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of Bond during the Holding Period.

(4) *Defined Terms.*

(a) “General Rule Maturities” means those maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

(b) “Hold-the-Offering-Price Maturities” means those maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering Price Maturities.”

(c) “Holding Period” means, with respect to a Hold-the-Offering Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering Price Maturity to the Public at prices that are not higher than the Initial Offering Price for such Hold-the-Offering Price Maturity.

(d) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(e) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” is defined in U.S. Treasury Regulation § 1.150-1(b) which generally provides that the term related party means any two or more persons who have a greater than 50 percent common ownership, directly or indirectly.

(f) “Sale Date” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is September ____, 2020.

(g) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer in executing and delivering its Tax Certificate, and by Norton Rose Fulbright US LLP and The Hardwick Law Firm Houston Texas, Co-Bond Counsel, in rendering their respective opinions relating to the exclusion from gross income for federal income tax purposes of the interest on the Bonds. Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any other purpose. Notwithstanding anything set forth herein, the Purchaser is not engaged in the practice of law. Accordingly, the Purchaser makes no representations as to the legal sufficiency of the factual matters set forth herein.

[EXECUTION PAGE FOLLOWS]

Dated: September __, 2020

WELLS FARGO BANK, NATIONAL
ASSOCIATION

By: _____

Name: _____

Title: _____

SCHEDULE A

**SALE PRICES OF THE GENERAL RULE MATURITIES AND INITIAL OFFERING PRICES
OF THE HOLD-THE-OFFERING-PRICE MATURITIES**

(Attached)

GENERAL RULE MATURITIES

HOLD-THE-OFFERING-PRICE MATURITIES

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

EXHIBIT C

FORM OF SUPPLEMENTAL OPINION OF CO-BOND COUNSEL

_____, 2020

Harris County-Houston Sports Authority
Partnership Tower
701 Avenida de las Americas, Suite 450
Houston, Texas 77010

Wells Fargo Bank, National Association
(as Representative of the Underwriters
named in the Bond Purchase Agreement referred to herein)
30 Hudson Yards, 62nd Floor
New York, New York, 10001

RE: Harris County-Houston Sports Authority
Senior Lien Revenue Refunding Bonds, Series 2020A
Taxable Senior Lien Revenue Refunding Bonds, Series 2020B,
Taxable Second Lien Revenue Refunding Bonds, Series 2020C
(collectively the "Series 2020 Bonds")

Ladies and Gentlemen:

This opinion is being rendered pursuant to the Bond Purchase Agreement dated September 30, 2020 (the "Bond Purchase Agreement"), between Wells Fargo Bank, National Association, as Representative of the Underwriters named in the Bond Purchase Agreement (the "Underwriters"), and the Harris County- Houston Sports Authority (the "Issuer"), relating to the issuance, sale, and delivery by the Issuer to the Underwriters of the Series 2020 Bonds. Except as otherwise defined herein, the terms defined in the Bond Purchase Agreement are used in this opinion with the meanings assigned to them in the Bond Purchase Agreement.

We have acted as Co-Bond Counsel to the Issuer in connection with the issuance, sale, and delivery of the Series 2020 Bonds to the Underwriters. In our capacity as Co-Bond Counsel, we have examined a transcript of certain materials and proceedings pertaining to the Series 2020 Bonds, including certain certified or original proceedings of the Issuer, and customary certificates, opinions, affidavits, and other originals and copies of documents executed by officers, agents, and representatives of the Issuer and others. In our capacity as Co-Bond Counsel, we have also attended meetings of the Issuer and have participated in conferences concerning the Preliminary Official Statement and the Official Statement from time to time with representatives of the Issuer and other parties to the transaction and counsel to those parties, including the Issuer's financial advisor, the Underwriters, General Counsel to the Issuer, Co-Special Disclosure Counsel to the Issuer, and Counsel to the Underwriters.

In our examination, we have assumed the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified or photostatic copies, and the authenticity of the originals of such latter documents.

Based upon the foregoing, we are of the opinion that, under applicable laws of the United States of America and the State of Texas in force and effect on the date hereof:

1. The offering and sale of the Series 2020 Bonds need not be registered under the Securities Act of 1933, as amended;
2. No filing is required under the Trust Indenture Act of 1939, as amended, in connection with the Series 2020 Bonds or the Indenture;
3. The descriptions and summaries of the Series 2020 Bonds, the Escrow Agreements, and the Indenture (as defined in the Official Statement) contained under the headings in the Official Statement "INTRODUCTION", "PURPOSE AND PLAN OF FINANCE - Background, Tender and Purpose", "-Refunded Obligations", "DESCRIPTION OF THE SERIES 2020 BONDS", "DESCRIPTION OF PLEDGED REVENUES – Hotel Occupancy Tax" (but excluding the third paragraph), "– Vehicle Rental Tax", "SECURITY FOR THE SERIES 2020 BONDS" (except for the information under the headings "-Flow of Funds for Revenues-Diagram" and "-Flow of Funds for Astros Payments-Diagram"), "INVESTMENT CONSIDERATIONS-Limited Obligations" (but excluding the second paragraph under such caption), "-Limitation and Enforceability of Remedies; Bankruptcy" (but excluding the fourth and fifth paragraphs under such caption), and "CONTINUING DISCLOSURE", and in Appendices A, C, D, and E of the Official Statement in all material respects fairly and accurately describe the provisions of the Series 2020 Bonds, the Indenture, and the Escrow Agreements for the purposes of the Official Statement; and the statements contained in the Official Statement under the headings "DESCRIPTION OF PLEDGED REVENUES-Hotel Occupancy Tax" and "- Vehicle Rental Tax", "LEGAL MATTERS" (as it relates to the opinions of Co-Bond Counsel and their review of the Official Statement), "TAX MATTERS-TAX- EXEMPT BONDS", and "TAX MATTERS-TAXABLE BONDS" are correct as to matters of law.

Except as stated above in paragraph 3, we have not assumed responsibility with respect to the Official Statement or undertaken to verify the accuracy, completeness, or fairness of the statements contained therein.

In our capacity as Co-Bond Counsel we have delivered on this date the approving opinions in substantially the form set forth in Appendix E of the Official Statement. The Underwriters may rely on such approving opinions as if they were addressed to them.

In rendering this opinion and in the sale, offering, and delivery of the Series 2020 Bonds, we have not represented the Underwriters nor rendered any advice to the Underwriters

in connection with the Bond Purchase Agreement or the transactions contemplated thereby, other than that set forth herein.

We do not undertake to advise the Underwriters of matters which may come to our attention subsequent to the date hereof which may affect our legal opinion and conclusions expressed herein, and we call to the attention of the Underwriters the fact that our legal opinions and conclusions are an expression of professional judgment and not a guarantee of result. This opinion may not be released to or relied upon by any other person or by the Underwriters in any other context, without our prior written consent. This opinion is not to be used, circulated, quoted, or otherwise referred to for any other purpose.

Very truly yours,

EXHIBIT D

FORM OF OPINIONS OF CO-SPECIAL DISCLOSURE COUNSEL

_____, 2020

Harris County-Houston Sports Authority
Partnership Tower
701 Avenida de las Americas, Suite 450
Houston, TX 77010

Wells Fargo Bank, National Association
Estrada Hinojosa & Company, Inc.
Morgan Stanley & Co. LLC
as Underwriters of the Bonds
c/o Wells Fargo Bank, National Association
1000 Louisiana Street, Suite 600
Houston, Texas 77056

Re: \$52,035,000 Senior Lien Revenue Refunding Bonds, Series 2020A, \$34,265,000 Taxable Senior Lien Revenue Refunding Bonds, Series 2020B and \$25,865,000 Taxable Second Lien Revenue Refunding Bonds, Series 2020C (collectively, the “Bonds”)

Ladies and Gentlemen:

We have acted as co-special disclosure counsel to the Harris County-Houston Sports Authority (the “Issuer”), as the Issuer of the above captioned Bonds. In that connection, we have reviewed (i) a resolution adopted on August 27, 2020 (the “Bond Resolution”) by the Board of Directors of the Issuer (the “Board”), (ii) an Indenture of Trust dated August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004 and December 1, 2014 (the “Master Indenture”), and as further amended and supplemented, particularly by the Twenty-Eighth Supplemental Indenture of Trust, dated as of October 1, 2020, the Twenty-Ninth Supplemental Indenture of Trust, dated as of October 1, 2020, the Thirtieth Supplemental Indenture of Trust, dated as of October 1, 2020 and the Thirty-First Supplemental Indenture of Trust, dated as of October 1, 2020 (collectively with the Master Indenture, the “Indenture”) and (iii) certain portions of the Preliminary Official Statement for the Bonds dated September 8, 2020 (the “Preliminary Official Statement”) and certain portions of the Official Statement for the Bonds dated _____, 2020 (the “Official Statement”), and we have made such investigations of law as we have deemed appropriate as a basis for the conclusion hereinafter expressed. We do not assume any responsibility for any electronic version of the Official Statement, and assume that any such version is identical in all respects to the printed version.

In arriving at the conclusion hereinafter expressed, we are not expressing any opinion or view on, and with your permission are assuming and relying on, without independent assessment or inquiry, the validity, accuracy and sufficiency of the records, documents, certificates and opinions referred to above, including the accuracy of all factual matters represented and legal

conclusions contained therein, including, without limitation, any representations and legal conclusions regarding the valid existence of the Issuer, the due authorization, issuance, delivery, validity and enforceability of the Bonds and the exclusion of interest thereon from gross income for federal income tax purposes as to the Series 2020A Bonds, and the legality, validity and enforceability of the Resolution and the Indenture, and any laws, documents or instruments that may be related to the authorization, issuance, payment or security of the Bonds. We have assumed that all records, documents, certificates and opinions that we have reviewed, and the signatures thereto, are genuine. Our services did not include financial or other non-legal advice.

We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement or the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. In our capacity as co-special disclosure counsel to the Issuer, we participated in conferences with representatives of the Issuer, Masterson Advisors LLC., as Financial Advisor, Norton Rose Fulbright US LLP, as bond counsel, and others, during which the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed. Based on our participation in the above-mentioned conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon, on oral and written statements and representations of the Issuer and others and on the records, documents, certificates, opinions and matters herein mentioned, we advise you as a matter of fact and not opinion that, during the course of our role as co-special disclosure counsel with respect to the Bonds, no facts came to the attention of the attorneys in our firm rendering legal services in connection with such role which caused us to believe that the Preliminary Official Statement as of its date, the Official Statement as of its date and as of the time of closing of the sale of the Bonds to the Underwriters on the date hereof (except for any CUSIP numbers, financial, accounting, statistical, economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, appendices, or any information about book-entry, tax exemption, DTC, ratings, rating agencies, or underwriters, included or referred to therein or omitted therefrom, which we expressly exclude from the scope of this paragraph and as to which we express no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. No responsibility is undertaken or opinion rendered with respect to any other disclosure document, materials or activity, or as to any information from another document or source referred to by or incorporated by reference in the Preliminary Official Statement or the Official Statement.

By acceptance of this letter each of the addressees to this letter recognizes and acknowledges that: (i) the preceding paragraph is not an opinion but in the nature of negative observations based on certain limited activities performed by specific lawyers in our firm in our role as co-special disclosure counsel to the Issuer, and is provided to the Issuer and other addressees as part (subsidiary to the part performed by the Underwriters and its counsel) of the Issuer's responsibilities under certain securities laws; (ii) the scope of those activities performed by us were inherently limited and do not purport to encompass all activities that the Underwriters (or the Issuer) may be responsible to undertake; (iii) those activities performed by us rely on third party representations, warranties, certifications and opinions including and primarily, representations, warranties and certifications made by the Issuer, and are otherwise subject to the

conditions set forth herein; and (iv) this letter may not be sufficient for or appropriate to your purposes.

This letter is furnished by us as co-special disclosure counsel to the Issuer. We disclaim any obligation to update this letter. This letter is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of Bonds or by any other party to whom it is not specifically addressed.

Very truly yours,

EXHIBIT E

FORM OF GENERAL COUNSEL OPINION

Wells Fargo Bank, National Association,
as Representative
Morgan Stanley & Co. LLC
Estrada Hinojosa & Company, Inc.
1000 Louisiana Street, Suite 600
Houston, Texas 77002

Harris County-Houston Sports Authority
701 Avenida de las Americas, Suite 450
Houston, Texas 77010

Wells Fargo Bank, National Association,
as Dealer Manager
1000 Louisiana Street, Suite 600
Houston, Texas 77002

Assured Guaranty Municipal Corp.
31 West 52nd Street, 28th Floor
New York, New York 10019

Re: \$52,035,000 Harris County-Houston Sports Authority Senior Lien Revenue Refunding Bonds, Series 2020A (the “Series 2020A Bonds”); \$34,265,000 Harris County-Houston Sports Authority Taxable Senior Lien Revenue Refunding Bonds, Series 2020B (the “Series 2020B Bonds”); and \$25,865,000 Harris County-Houston Sports Authority Taxable Second Lien Revenue Refunding Bonds, Series 2020C (the “Series 2020C Bonds” and collectively with the Series 2020A Bonds and the Series 2020B Bonds, the “Series 2020 Bonds” or the “Bonds”)

Ladies and Gentlemen:

This opinion is being rendered to you pursuant to Section 8(h)(vii) of the Bond Purchase Agreement dated as of September 30, 2020 (the “Purchase Agreement”), between the Harris County-Houston Sports Authority (the “Issuer”) and Wells Fargo Bank, National Association (the “Representative”), acting on behalf of itself and the other Underwriters listed above (the Representative and such other Underwriters being herein collectively called the “Underwriters”), providing for the sale by the Issuer to the Underwriters of the Bonds, which are being issued pursuant to an Indenture of Trust between the Issuer and UMB Bank, National Association, as Trustee (the “Trustee”), dated August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004 and December 1, 2014, and as further amended and supplemented, particularly by the Twenty-Eighth, Twenty-Ninth, Thirtieth, and Thirty-First Supplemental Indentures of Trust, each dated as of October 1, 2020 (collectively, the “Indenture”). We have also examined the Dealer Manager Agreement, between the Issuer and Wells Fargo Bank, National Association (the “Dealer Manager”) dated September 8, 2020 (the “DM Agreement”).

We have acted as General Counsel to the Issuer and in that capacity have participated in various conferences with representatives of the Issuer, the Underwriters and others relating to the preparation of the Preliminary Official Statement, dated September 8, 2020 and the Official Statement, dated September ___, 2020 (the “Official Statement”). We do not assume any

responsibility for any electronic version of the Official Statement, and assume that any such version is identical in all respects to the printed version.

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Official Statement, the Purchase Agreement and the DM Agreement, as applicable.

For the purposes of our opinions, we are, with your permission and without independent verification, making the following assumptions:

i. the genuineness of all signatures on all instruments and other documents, the legal capacity of all natural persons, the authenticity and completeness of all instruments and other documents submitted to us as originals, and the conformity to originals of all documents and instruments submitted to us as certified, photostatic, PDF or conformed copies;

ii. that no fraud exists involving matters relevant to these opinions and that no undue influence, duress, or deceit exists with respect to the transactions contemplated in the Purchase Agreement or the DM Agreement and there has not been any mutual mistake of fact or misunderstanding with respect to the same;

iii. that the Purchase Agreement and the DM Agreement contain the complete understandings and agreements of the parties thereto with respect to the subject matter thereof, and there are no agreements, oral or written, and no course of dealing or course of conduct that modify, amend or vary any of the terms of any of the Purchase Agreement or the DM Agreement.

iv. that each of the Purchase Agreement and the DM Agreement constitute the legal, valid, and binding obligation of all parties thereto other than the Issuer, enforceable against such parties in accordance with the respective terms thereof, and all parties to each of the Purchase Agreement and the DM Agreement (other than the Issuer) have complied with all legal requirements that are applicable to them to the extent necessary to make each of the Purchase Agreement and the DM Agreement enforceable.

Whenever our opinion or advice with respect to the existence or absence of facts is indicated to be based on our knowledge, best knowledge or awareness, we are referring to the actual knowledge of the Hunton Andrews Kurth LLP attorneys who have given substantive attention to matters concerning the Issuer during the course of our representation of the Issuer in connection with the Purchase Agreement and the DM Agreement, which knowledge has been obtained by such attorneys in their capacity as such. In particular, our response does not include matters known to any attorney of our firm in a capacity other than as General Counsel to the Issuer.

Based on the foregoing and subject to the qualifications, assumptions, limitations, and comments set forth below, we are of the opinion that:

1. The Issuer is a political subdivision of Harris County, Texas, the City of Houston, Texas and the State of Texas and has the requisite legal right, power and authority to carry out and effectuate the transactions contemplated by the Purchase Agreement, the DM Agreement, the Indenture and the Official Statement;

2. The terms and provisions of the Purchase Agreement and the DM Agreement each comply in all material respects with the requirements of the Enabling Act;

3. The Purchase Agreement and the DM Agreement have each been duly authorized, executed and delivered by the Issuer and no further consents, approvals or authorizations are required by law or otherwise with respect to the authorization, execution and delivery of such agreements, and the Purchase Agreement and the DM Agreement constitute valid and legally binding agreements of the Issuer enforceable against the Issuer in accordance with their respective terms;

4. Neither the execution and delivery by the Issuer of the Purchase Agreement and the DM Agreement, nor the consummation of the transactions therein contemplated, nor compliance with the provisions thereof will violate (a) any law, rule or regulation binding on the Issuer, (b) to our knowledge, any order, writ, judgment, injunction, decree or award known to us and binding on the Issuer, (c) the Issuer's organizational documents or (d) to our knowledge, the provisions of any indenture, instrument or agreement known to us to which the Issuer is a party;

5. The Issuer has duly authorized and approved the preparation and distribution of the Official Statement; and

6. The information contained in the Official Statement under the sections captioned (i) "Hotel Occupancy Tax Collection Contract," "Contract for Collection of Delinquent Hotel Occupancy Taxes," "Vehicle Rental Tax Collection Contract," "Astros Payments," "Current Status of Astros Payments," and "Agreements Relating to Minute Maid Park" in "DESCRIPTION OF PLEDGED REVENUES," (ii) "DESCRIPTION OF SPORTS AUTHORITY OBLIGATIONS NOT SUPPORTED BY THE TRUST ESTATE," (iii) "Management and Organization" and "Budgeting and Operations" in "MANAGEMENT AND ORGANIZATION OF THE SPORTS AUTHORITY" and (iv) "LITIGATION" (in each case excluding information contained in those sections by cross reference) is a fair and accurate summary of the matters described therein. No responsibility is undertaken or opinion rendered with respect to any other sections of the Official Statement or as to any other disclosure document, materials or activity, or as to any information from another document or source referred to by or incorporated by reference in the forgoing sections of the Official Statement.

All opinions contained herein are subject to and are qualified in all respects by the following additional assumptions, qualifications, limitations and comments:

a. Our opinions above are subject to and may be limited by (i) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer or other similar laws relating to or affecting the rights of creditors generally and (ii) the application of general principles of equity (regardless of whether considered in a proceeding in equity or at law), including, without limitation (A) the possible unavailability of specific performance, injunctive relief or any other equitable remedy and (B) concepts of materiality, reasonableness, good faith. We express no opinion as to the enforceability of those provisions of the Purchase Agreement or the DM Agreement (i) restricting access to legal or equitable remedies, (ii) purporting to establish evidentiary standards, liquidated damages, release liability, or waive or affect any rights to notice, demand or exhaustion of collateral, (iii) relating to self-help, subrogation, delay or omission of the right to

enforce rights or remedies, indemnity, release, contribution, severability, waivers or ratifications of future acts or defenses or the rights of third parties (iv) relating to arbitration, waiver of rights to notice or the obligations of good faith, fair dealing, diligence or reasonableness, agreements to agree, the establishment of evidentiary standards, forfeitures, liquidated damages or other economic remedies to the extent such provisions are deemed to constitute penalties or fiduciary duty requirements or (v) purporting to grant to the Trustee or the owners of the Bonds or the Issuer any rights or remedies not specifically set forth therein. We express no opinion with respect to the perfection or priority of any liens, security interests, assignments or rights of offset granted or purported to be granted or collateral assignments made under any of the documents or agreements described above. We express no opinion as to the effect on the opinion expressed herein of (i) the compliance or non-compliance of any of the other parties (collectively the “Other Parties”) to the Purchase Agreement or the DM Agreement with any state, federal or other laws, rules or regulations applicable to it, (ii) the legal or regulatory status or the nature of the business or other activities of any of the Other Parties, (iii) other facts specifically pertaining to the Other Parties or (iv) any state, federal or other laws, rules or regulations or orders that may be applicable as a result of the involvement of the Other Parties in the transactions contemplated by any of the Purchase Agreement or the DM Agreement or because of the legal or regulatory status or the nature of the business of the Other Parties.

b. In rendering the opinions expressed herein, we have relied as to factual matters on the representations and warranties contained in the Purchase Agreement and the DM Agreement, as applicable, and upon certificates, statements and representations of corporate and public officials, and we have also made no independent investigation as to the accuracy or completeness of any representation, warranty, recital, data or information (written or oral) made or furnished in connection with any of the Purchase Agreement or the DM Agreement, as applicable. Additionally, we have assumed that none of the foregoing contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements made, in light of the circumstances in which they are made, not misleading. We have not made any examination of any accounting or financial matters, and we express no opinion with respect thereto.

c. The opinions expressed in this letter are provided as legal opinions only and not as any guaranties or warranties of the matters discussed herein, and such opinions are strictly limited to the matters stated herein, and no other opinions may be implied. The opinions expressed herein are limited to the laws of the State of Texas and the laws of the United States of America. The opinions expressed in this letter are governed by the laws of the State of Texas. The opinions expressed herein are based upon, and limited to laws and to published case decisions as of this date, and to the facts known to us on this date, and we do not undertake to provide any opinion as to any matter or to advise any person with respect to any events or changes in law or fact occurring subsequent to the date of this letter.

d. Other than to the extent provided in paragraph 6 above, we are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement or the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements.

This opinion is being given to the addressees named above solely for the purposes of complying with the terms of Section 8(h)(vii) of the Purchase Agreement and may be relied upon solely by such addressees. Accordingly, this opinion may not be used or relied upon by any other party for any purpose whatsoever without our prior written approval in each instance.

Very truly yours,

EXHIBIT F

FORM OF OPINION OF CO-UNDERWRITERS' COUNSEL

_____, 2020

Wells Fargo Bank, National Association
Estrada Hinojosa & Company, Inc.
Morgan Stanley & Co. LLC
as Underwriters of the Bonds
c/o Wells Fargo Bank, National Association
1000 Louisiana Street, Suite 600
Houston, Texas 77056

Wells Fargo Bank, National Association
as Dealer Manager
1000 Louisiana Street, Suite 600
Houston, Texas 77056

Re: \$52,035,000 Senior Lien Revenue Refunding Bonds, Series 2020A, \$34,265,000 Taxable Senior Lien Revenue Refunding Bonds, Series 2020B and \$25,865,000 Taxable Second Lien Revenue Refunding Bonds, Series 2020C (collectively, the "Bonds")

Ladies and Gentlemen:

We have acted as counsel to (i) the Underwriters of the above captioned Bonds issued by the Harris County-Houston Sports Authority (the "Issuer"), pursuant to a resolution adopted on August 27, 2020 (the "Bond Resolution") by the Board of Directors of the Issuer (the "Board"), an Indenture of Trust dated August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004 and December 1, 2014 (the "Master Indenture"), and as further amended and supplemented, particularly by the Twenty-Eighth Supplemental Indenture of Trust, dated as of October 1, 2020, the Twenty-Ninth Supplemental Indenture of Trust, dated as of October 1, 2020, the Thirtieth Supplemental Indenture of Trust, dated as of October 1, 2020 and the Thirty-First Supplemental Indenture of Trust, dated as of October 1, 2020 (collectively with the Master Indenture, the "Indenture") and (ii) the Dealer Manager in connection with the Tender Offer. The Underwriters are purchasing the Bonds pursuant to the Bond Purchase Agreement dated September 30, 2020 (the "Bond Purchase Agreement"). Unless otherwise expressly provided herein, capitalized terms used herein have the meanings ascribed to them in the Official Statement.

As your counsel, we have examined the Preliminary Official Statement, dated September 8, 2020 (the "Preliminary Official Statement") and the Official Statement, dated _____, 2020 (the "Official Statement") and originals or copies, certified or otherwise identified to our satisfaction, of the documents, records, certificates and opinions referred to in Section 9(h) of the Bond Purchase Agreement. In arriving at the view and opinions hereinafter expressed, we have not been requested to and are not expressing any view or opinions on, and with your permission are assuming and relying on, without independent assessment, inquiry or verification, the validity, accuracy and sufficiency of the records, documents, certificates and opinions referred to herein, including the accuracy of all factual matters represented and legal conclusions contained therein,

including, without limitation, any representations and legal conclusions regarding the valid existence of the Issuer, the due authorization, issuance, delivery, validity and enforceability of the Bonds, and the exclusion of interest on the Series 2020A Bonds from gross income for federal income tax purposes, and the legality, validity and enforceability of any documents or instruments that may be related to the authorization, issuance payment or security of the Bonds. We have assumed, but have not independently verified, that the signatures on all records, documents, certificates and opinions that we have examined are genuine and all copies conform to the originals.

Because the primary purpose of our professional engagement as your counsel was not to establish factual matters and because of the wholly or partially non-legal character of many of the determinations involved in the preparation of the Preliminary Official Statement or the Official Statement, we are not passing upon and do not assume any responsibility for the accuracy, completeness, or fairness of the statements contained in the Preliminary Official Statement and the Official Statement (including any appendices, schedules and exhibits thereto), and we have not undertaken to independently verify the accuracy, completeness or fairness of any such statements. At your request, we have participated as your counsel in conferences with representatives of the Issuer, representatives of the County and the City, co-bond counsel to the Issuer, general counsel to the Issuer and co-special disclosure counsel to the Issuer, the financial advisor to the Issuer and your representatives, at which conferences the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed. Based on our participation in the above-mentioned conferences and in reliance thereon and on the oral and written statements and representations of the Issuer, the County and the City, and others and certificates, opinions and other documents herein mentioned, we advise you that during the course of our representation of you in this matter no facts have come to the attention of the attorneys in our firm rendering legal services to you in connection with the Preliminary Official Statement and the Official Statement that cause us to believe that the Preliminary Official Statement, as of its date, or the Official Statement, as of its date and as of the date hereof, (except in each case as to (x) any financial statements or other financial, accounting, forecast, engineering, technical and statistical statements, reports and data included in the Preliminary Official Statement and the Official Statement (including any appendices, schedules exhibits and addenda thereto), and (y) the information under the headings “APPENDIX G–BOOK-ENTRY-ONLY SYSTEM”) contained or contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. No responsibility is undertaken or belief expressed with respect to any other disclosure document, materials or activity, or as to any information from another document or source referred to by or incorporated by reference in the Preliminary Official Statement or the Official Statement.

Based on and subject to the foregoing, we are of the opinion that:

(1) The Bonds are exempted securities under the Securities Act of 1933, as amended (the “1933 Act”) and it is not necessary, in connection with the offering and sale of the Bonds, to register the Bonds under the 1933 Act or to qualify the Bond Resolution or the Indenture under the Trust Indenture Act of 1939, as amended.

(2) Assuming that the Indenture has been duly adopted by the Issuer, and constitutes a

valid and legally binding obligation of the Issuer, enforceable in accordance with the terms therein, the continuing disclosure undertakings by the Issuer contained therein provide a suitable basis for the Underwriters reasonably to determine that the Issuer has undertaken to provide, directly or indirectly, the information required to be provided in connection with the Bonds pursuant to paragraph (b)(5)(i) of United States Securities and Exchange Commission Rule 15c2-12 (17 C.F.R., Part 240, § 240.15c2-12) under the Securities Exchange Act of 1934, as amended.

The opinions expressed in the paragraphs numbered (1) and (2) are expressed only insofar as the laws of the United States of America may be applicable. We are furnishing this letter to you solely for your benefit in your capacity as the Underwriters and the Dealer Manager. This letter may be relied upon only by the addressee hereof and may not be used, quoted, relied upon or otherwise referred to for any other purpose or by any other person. We disclaim any obligation to update this letter.

Very truly yours,

EXHIBIT G

UNDERWRITERS' CERTIFICATE

Harris County-Houston Sports Authority
\$52,035,000 Senior Lien Revenue Refunding Bonds, Series 2020A
\$34,265,000 Taxable Senior Lien Revenue Refunding Bonds, Series 2020B
\$25,865,000 Taxable Second Lien Revenue Refunding Bonds, Series 2020C

Reference is hereby made to that certain Bond Purchase Agreement dated September 30, 2020 (the **“Bond Purchase Agreement”**), between Wells Fargo Bank, National Association (the **“Wells Fargo”**), acting on its own behalf and on behalf of Estrada, Hinojosa & Company, Inc. (**“Estrada Hinojosa”**) and Morgan Stanley & Co., LLC (**“Morgan Stanley”**) (collectively, the **“Underwriters”**), and the Harris County-Houston Sports Authority (the **“Issuer”**).

1. In connection with the representations contained in Sections 17 and 18 of the Bond Purchase Agreement, each of Estrada Hinojosa and Morgan Stanley represents to Wells Fargo, solely with respect to itself, that:

(a) Such Underwriter and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent the Purchase Agreement is a contract for goods or services, will not boycott Israel during the term of the Purchase Agreement. The foregoing representation 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 representation, ‘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. The Underwriter understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with it and exists to make a profit.

(b) 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, and posted on any of the following pages of such officer’s internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

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 Underwriter 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. The Underwriter understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with it and exists to make a profit.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, this Certificate has been executed by the undersigned as of the date first written above.

ESTRADA HINOJOSA & COMPANY, INC.

By: _____
Name: _____
Title: _____

MORGAN STANLEY & CO., LLC

By: _____
Name: _____
Title: _____

EXHIBIT D-1

SERIES 2020B ESCROW AGREEMENT

(see Tab 28)

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

and

UMB BANK, NATIONAL ASSOCIATION
as Escrow Agent

ESCROW AGREEMENT

Dated as of October 1, 2020

TABLE OF CONTENTS

Page

PARTIES	1
RECITALS	1

ARTICLE ONE

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

SECTION 1.01.	Definitions.....	2
SECTION 1.02.	Notices, etc.....	4
SECTION 1.03.	Effect of Headings and Table of Contents	4
SECTION 1.04.	Successors and Assigns.....	4
SECTION 1.05.	Severability	4
SECTION 1.06.	Benefits of Escrow Agreement; Assignment.....	5
SECTION 1.07.	Governing Law	5
SECTION 1.08.	Amendment of Escrow Agreement.....	5
SECTION 1.09.	Term and Termination	6
SECTION 1.10.	Holiday.....	6
SECTION 1.11.	Time of Essence.....	6
SECTION 1.12.	Cumulative Rights	6
SECTION 1.13.	Terrorist Organization.....	6

ARTICLE TWO

ESCROW

SECTION 2.01.	Deposit by Issuer.....	7
SECTION 2.02.	Deposit of Earnings.....	7
SECTION 2.03.	Escrow Held in Trust	7
SECTION 2.04.	Grant of Security Interest.....	8

ARTICLE THREE

APPLICATION OF ESCROW

SECTION 3.01.	Payment of Principal and Interest	8
SECTION 3.02.	Payment of Surplus	8

ARTICLE FOUR

INVESTMENTS AND SECURITY

SECTION 4.01.	Investments	9
SECTION 4.02.	Modification of Investments	10
SECTION 4.03.	Security for Uninvested Funds.....	11
SECTION 4.04.	Reports	11

TABLE OF CONTENTS

Page

ARTICLE FIVE THE ESCROW AGENT

SECTION 5.01.	Certain Responsibilities	11
SECTION 5.02.	Certain Rights of Escrow Agent	12
SECTION 5.03.	Not Responsible for Recitals or Investment or Application of Funds	13
SECTION 5.04.	May Hold Refunded Obligations	13
SECTION 5.05.	Compensation and Reimbursement	13
SECTION 5.06.	Corporate Escrow Agent Required; Eligibility	14
SECTION 5.07.	Resignation and Removal; Appointment of Successor	14
SECTION 5.08.	Acceptance of Appointment by Successor	16
SECTION 5.09.	Merger, Conversion, Consolidation, or Succession to Business	16
SECTION 5.10.	Redemption of Refunded Obligations	16
EXHIBIT A -	ESCROW DEBT SERVICE	
EXHIBIT B -	CONFIRMATION OF PURCHASE OF DEFEASANCE SECURITIES	
EXHIBIT C -	ESCROW AGENT COMPENSATION	
EXHIBIT D -	FORMS OF NOTICE OF DEFEASANCE	

THIS ESCROW AGREEMENT (this “*Escrow Agreement*”), dated as of October 1, 2020, between the Harris County-Houston Sports Authority (hereinafter together with any successor herein authorized referred to as the “*Issuer*”), a political subdivision of the State of Texas, and UMB Bank, National Association, as trustee and paying agent under that certain Fourth Amended and Restated Indenture of Trust, dated as of August 15, 1998, as amended and restated on May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014, and as further supplemented and amended (the “*Indenture*”), and acting herein as Escrow Agent (hereinafter together with any successor to its duties hereunder referred to as the “*Escrow Agent*”), a national banking association organized and existing under the laws of the United States of America;

RECITALS

WHEREAS, the Issuer has previously issued its currently outstanding Senior Lien Revenue Refunding Bonds, Series 2014A (the “*Outstanding Bonds*”).

WHEREAS, the Authority desires to refund in whole or in part certain of the Outstanding Bonds (the “*Refunded Bonds*”), and certain of the interest payments (the “*Refunded Interest*”) thereon, in the years and amounts specified in *Exhibit A* (the “*Refunded Obligations*”).

WHEREAS, under the provisions of Chapter 1207, Texas Government Code, as amended (the “*Act*”), Chapter 1371, Texas Government Code, as amended, and Chapters 334 and 335, Texas Local Government Code, as amended, the Authority is authorized to sell refunding bonds in an amount sufficient, together with other available funds or resources, to provide for the payment of obligations which are to be refunded, and enter into an escrow agreement for the safekeeping, investment, reinvestment, administration, and disposition of such deposit of proceeds, upon such terms and conditions as the parties may agree, provided such deposit may be invested only in Defeasance Securities, which shall mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment of the Refunded Obligations;

WHEREAS, the Authority desires to refund the Refunded Obligations in order to restructure its outstanding debt, and to such end the Authority intends to issue its Taxable Senior Lien Revenue Refunding Bonds, Series 2020B in the original principal amount of \$34,265,000 (the “*Refunding Bonds*”) in an amount sufficient, together with funds on hand, to make the deposit required hereby;

WHEREAS, the Authority has subscribed for the purchase of the Defeasance Securities described in *Exhibit B*;

WHEREAS, pursuant to the Indenture, the Issuer is authorized to deposit available funds with the Escrow Agent for the Refunded Obligations, and enter into an escrow or similar agreement for the safekeeping, investment, reinvestment, administration, and disposition of such deposit of funds, upon such terms and conditions as the parties may agree, provided such deposit may be invested only in Defeasance Securities which shall mature and/or bear interest payable at

such times and in such amounts as will be sufficient to provide for the scheduled payment of the defeased Refunded Obligations.

WHEREAS, the Issuer has determined, and Smith Klein and Company, independent certified public accountants, in conjunction with Public Finance Partners LLC, have verified, that the scheduled payments of principal of and interest on such obligations are in such amounts and to become due at such times so as to provide, together with the initial cash balance or securities herein provided, sufficient funds to pay all principal of and interest on the Refunded Obligations when due.

WHEREAS, the Escrow Agent is a commercial bank and is not a depository of the Issuer.

WHEREAS, the Escrow Agent is the Trustee under the Indenture.

WHEREAS, the Issuer has duly authorized the execution and delivery of this Escrow Agreement, and all things have been done which are necessary to constitute this Escrow Agreement a valid escrow, security, and trust agreement and contract for the security of the Refunded Obligations.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, and subject to the conditions herein set forth, the parties hereto covenant, agree, and bind themselves as follows:

ARTICLE ONE

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

SECTION 1.01. *Definitions.*

For all purposes of this Escrow Agreement, except as otherwise expressly provided or unless the context otherwise requires:

A. The terms defined in this Article have the meanings assigned to them in this Article, the terms defined in the recitals hereto have the meanings assigned to them in such recitals, and all such terms include the plural as well as the singular.

B. All references in this instrument to designated “*Articles*”, “*Sections*”, “*Exhibits*”, and other provisions are to the designated Articles, Sections, Exhibits, and other provisions of this instrument as originally executed.

C. The words “*herein*”, “*hereof*”, and “*hereunder*” and other words of similar import refer to this Escrow Agreement as a whole and not to any particular Article, Section, or other subdivision.

“*Accountant*” means an “Independent Accountant” as defined in the Indenture.

“Defeasance Securities” means direct and general obligations of, or obligations which as to principal and interest are unconditionally guaranteed as to full and timely payment by, the United States of America, to the payment of which the full faith and credit of the United States of America is irrevocably and unconditionally pledged, and which do not permit the redemption thereof at the option of the issuer thereof.

“Deposit Date” means October 9, 2020.

“Escrow” means the segregated escrow fund to be held by the Escrow Agent pursuant hereto.

“Escrow Agent” means the bank named as the Escrow Agent in the first paragraph of this instrument, or its duly authorized agent, until a successor Escrow Agent shall have become such pursuant to the applicable provisions hereof, and, thereafter, *“Escrow Agent”* shall mean such successor Escrow Agent.

“Governing Body” means the board of directors of the Issuer.

“Issuer” has the meaning stated in the first paragraph hereof.

“Opinion of Counsel” means a written opinion of counsel who may be counsel for the Issuer, shall be acceptable to the Escrow Agent, and shall be of nationally recognized standing in the field of municipal bond law.

“Refunded Interest” has the meaning ascribed to such term in the Recitals hereto.

“Refunded Obligations” has the meaning ascribed to such term in the Recitals hereto.

“Refunding Bonds” has the meaning ascribed to such term in the Recitals hereto.

SECTION 1.02. *Notices, etc.*

Any request, authorization, direction, notice, consent, waiver, report, or other document provided or permitted by this Escrow Agreement to be made upon, given or furnished to, or filed with,

A. the Issuer by the Escrow Agent shall be sufficient for every purpose hereunder if in writing and mailed, first-class postage prepaid, or by prepaid overnight delivery, to the Issuer addressed to its care of Partnership Tower, 701 Avenida de las Americas, Suite 450, Houston, Texas 77010, Attention: Chief Executive Officer, or at any other address previously furnished in writing to the Escrow Agent by the Issuer, or

B. the Escrow Agent by the Issuer shall be sufficient for every purpose hereunder if made, given, furnished, or filed in writing to or with the Escrow Agent at UMB Bank, National Association, 1670 Broadway, Denver, Colorado 80202, Attention:

Corporate Trust, or at any address previously furnished in writing to the Issuer by the Escrow Agent.

SECTION 1.03. *Effect of Headings and Table of Contents.*

The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 1.04. *Successors and Assigns.*

All covenants and agreements in this Escrow Agreement by the Issuer, and the Escrow Agent shall bind their respective successors and assigns, whether so expressed or not.

SECTION 1.05. *Severability.*

In case any provision of this Escrow Agreement or any application hereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. If Moody's Investors Service, Inc. is then rating the Refunded Obligations, the Issuer shall give Moody's Investors Service, Inc. notice at the address and in the manner provided in *Section 1.08* as soon as practicable after any determination by a court or administrative body to which Escrow Agent is a party of invalidity, illegality, or unenforceability of any provision or application of the Escrow Agreement.

SECTION 1.06. *Benefits of Escrow Agreement; Assignment.*

Nothing in this Escrow Agreement, expressed or implied, shall give any benefit or any legal or equitable right, remedy, or claim under this Escrow Agreement to any person or entity, other than the parties hereto and their successors hereunder and, as third party beneficiaries, the holders of the Refunded Obligations.

No party hereto may assign its rights or obligations hereunder to any other person or entity without the written consent of the other party hereto.

SECTION 1.07. *Governing Law.*

This Escrow Agreement shall be construed in accordance with and governed by the laws of the State of Texas and the federal laws of the United States of America.

SECTION 1.08. *Amendment of Escrow Agreement.*

The parties hereto may from time to time enter into one or more amendments or supplements hereto, for any of the following purposes:

A. to correct or clarify the description of any Defeasance Securities in which the Escrow may be invested hereunder; or

B. to evidence the succession of another entity to the Escrow Agent and the assumption by such successor of the covenants of the Escrow Agent herein; or

C. to cure any ambiguities or to correct or supplement any provision herein which may be inconsistent with any other provision herein with respect to the matters or questions arising under this Escrow Agreement, which shall not adversely affect the interests of the holders of the Refunded Obligations;

and this Escrow Agreement may not otherwise be amended or supplemented.

The Escrow Agent may in its discretion determine whether or not any Refunded Obligations would be affected by any amendment or supplement described in **Subsection C** and any such determination shall be conclusive upon every holder of Refunded Obligations. The Escrow Agent is not liable for any such determination made in good faith. The Escrow Agent may conclusively rely on an Opinion of Counsel with respect to any such determination.

In executing or accepting any supplement or amendment hereto, the Escrow Agent is entitled to receive and is be fully protected in relying upon an Opinion of Counsel stating that the execution of such supplement or amendment is authorized or permitted by this Escrow Agreement. The Escrow Agent may, but is not obligated to, enter into any such supplement or amendment which affects the rights, duties, or immunities of the Escrow Agent under this Escrow Agreement or otherwise.

To the extent that Moody's Investors Service is then rating the Refunded Obligations, the Issuer is required to give prior notice of any amendment hereto (including any amendment which causes the sale, substitution, or release of securities held hereunder), accompanied by copies of any proposed amendment, to Moody's Investors Service, Inc., Public Financing & Rating Desk/Refunded Obligations, 99 Church Street, New York, New York 10007, or at such other address as it may hereafter provide in writing to the Escrow Agent, *provided* that Moody's Investors Service, Inc., at the time of such amendment has issued a rating for the Refunded Obligations.

SECTION 1.09. *Term and Termination.*

The term of this Escrow Agreement commences on the date and at the time the amounts or securities are delivered hereunder to defease the Refunded Obligations, and terminates on the second business day following the final redemption or payment date of the Refunded Obligation as set forth in **Exhibit A**, unless terminated sooner pursuant to the provisions hereof.

SECTION 1.10. *Holiday.*

If the date for the payment or performance of any obligation hereunder is a Saturday, a Sunday, a legal holiday, or a day on which banking institutions generally in the City of Houston, Texas, are authorized or required by law or executive order to close and on which the primary corporate trust office of the Escrow Agent at which the Escrow Agreement is administered is closed, then the date for such payment or performance is the next succeeding day

which is not such a day, and such payment and performance has the same force and effect as if made or done on the original date therefor.

SECTION 1.11. *Time of Essence.*

Time is of the essence in the payment or performance of the obligations from time to time imposed upon the parties hereto by this Escrow Agreement.

SECTION 1.12. *Cumulative Rights.*

All of the rights of the Escrow Agent hereunder are cumulative of any other rights it may have by law or otherwise.

SECTION 1.13. *Form 1295.* Unless otherwise exempt, the Escrow Agent represents that it has submitted to the Issuer, a disclosure of interested parties form (the “Disclosure Form”), which was completed and filed with the Texas Ethics Commission (the “TEC”) in accordance with the provisions of Section 2252.908, Texas Government Code, and the applicable rules adopted by the TEC (found at 1 Tex. Admin. Code § 46.1 - 46.5).

SECTION 1.14. *Boycott Verification.* The Escrow Agent hereby verifies that it and its parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this 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. The Escrow Agent understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Escrow Agent and exists to make a profit.

SECTION 1.15. *Terrorist Organization.*

The Escrow Agent represents that neither it nor any of its respective parent companies, 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, and posted on any of the following pages of such officer’s internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

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 exclude the Escrow Agent 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. The Escrow Agent understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Escrow Agent and exists to make a profit.

ARTICLE TWO

ESCROW

SECTION 2.01. *Deposit by Issuer.*

The Issuer shall cause to be irrevocably deposited with the Escrow Agent at or before 12:30 p.m., Eastern standard time, on the Deposit Date, from proceeds of sale of the Refunding Bonds, and other available funds, the sum of \$28,518,685.69 to be applied pursuant to **Section 4.01**, contingent upon the authentication and delivery of the Refunding Bonds therefor.

The Issuer hereby represents to the Escrow Agent that the funds specified to be deposited pursuant to this Section are sufficient to pay the purchase price of the obligations described in **Exhibit B** and that the payments of principal of and interest on such obligations are, together with any remaining cash balance hereunder, sufficient to pay the principal of and interest on the Refunded Obligations, as the same shall become due and payable upon stated maturity or redemption, and that the Refunded Obligations and the interest thereon are to be paid at the times and in the amounts set forth and identified in **Exhibit A**.

SECTION 2.02. *Deposit of Earnings.*

All amounts received from the investment of funds held for the credit of the Escrow, including all interest paid on any such investments and all proceeds of any redemption or sale of such investments or proceeds paid upon the maturity thereof, shall be retained in the Escrow and invested and applied solely as provided herein, except as otherwise provided herein.

SECTION 2.03. *Escrow Held in Trust.*

All amounts deposited with the Escrow Agent hereunder shall be the property of the Issuer but shall be irrevocably held in trust by the Escrow Agent for the benefit of the holders of, and as security for the payment when due of, the Refunded Obligations and, to the extent of any surplus after payment thereof in full, for the benefit of the Issuer. If the Escrow Agent shall fail to account for any funds held, or required by this Escrow Agreement to be held, for the credit of the Escrow, such funds shall be and remain the property of the Issuer, and the Issuer shall, for the account of the holders of the Refunded Obligations and the appurtenant coupons, be entitled to the preferred claim upon such funds enjoyed by the beneficiary of an express trust.

The Escrow Agent shall irrevocably hold all funds and securities deposited, or required hereby to be deposited, to the Escrow in a separate trust fund and shall have no right or title with respect thereto. No such fund shall be considered a banking deposit with the Escrow Agent or be subject to checks or drafts drawn by the Issuer. The Escrow Agent shall have no

liability for interest on any funds deposited to the Escrow. Nothing herein contained shall be construed as requiring the Escrow Agent to keep the identical money, or any part thereof, in the Escrow, if it is impractical to do so, but money of an equal amount must always be maintained on deposit in the Escrow by the Escrow Agent.

The Escrow Agent shall hold, invest, secure, and apply all funds deposited, or required by this Escrow Agreement to be deposited, with it hereunder solely as provided herein.

SECTION 2.04. *Grant of Security Interest.*

To secure payment when due of the principal of and interest on the Refunded Obligations, the Issuer hereby pledges and grants to the Escrow Agent, for the benefit and account of the holders of the Refunded Obligations and of appurtenant coupons, a security interest in all of its right, title, and interest, if any, in and to all funds held hereunder and all investments thereof and agrees that the Escrow Agent shall have and may exercise all of the rights of a secured party granted by the Texas Uniform Commercial Code in respect thereof to the same extent as if such Code applied to such security interest.

ARTICLE THREE

APPLICATION OF ESCROW

SECTION 3.01. *Payment of Principal and Interest.*

The Escrow Agent shall, on each interest payment date for the Refunded Obligations as set forth in *Exhibit A*, during the term hereof, set aside or deposit in trust with the paying agent for the Refunded Obligations and appurtenant coupons from cash or other immediately available funds held for the credit of the Escrow sufficient money to pay the principal of and interest on the Refunded Obligations then coming due.

SECTION 3.02. *Payment of Surplus.*

A. From time to time during the term of this Escrow Agreement, the Escrow Agent shall withdraw from the Escrow and pay to the Issuer (and shall, at the written request of the Issuer, redeem or sell obligations held for the credit of the Escrow to the extent required to pay) any amounts requested by the Issuer in writing, but only upon receipt of:

(1) a certificate of an Accountant stating that, after giving effect to such request, the Defeasance Securities held for the credit of the Escrow are of such maturities and interest payment dates and bear such interest as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom, be sufficient, together with all cash and other immediately available uninvested funds held for the credit of the Escrow, to pay the principal of and interest on the Refunded Obligations when due, and

(2) an unqualified Opinion of Counsel stating that compliance with such request (1) will not adversely affect excludability of interest on any

Refunded Obligation from the gross income of the owner thereof for federal income tax purposes and (2) complies with all state law and relevant documents relating to the issue and approval of the Refunded Obligations.

B. On the last day of the term of this Escrow Agreement, after setting aside or paying in full all amounts required by **Section 3.01** and satisfaction of the obligations of the Issuer provided in **Section 5.05**, the Escrow Agent shall disburse all remaining funds held for the credit of the Escrow to or on the order of the Issuer.

ARTICLE FOUR

INVESTMENTS AND SECURITY

SECTION 4.01. *Investments.*

A. At or prior to 12:30 p.m., Eastern standard time, on the Deposit Date, the Escrow Agent shall apply sufficient funds deposited by the Issuer pursuant to **Section 2.01** to the purchase of the Defeasance Securities described in (and pursuant to) the subscriptions reproduced in **Exhibit B**, as an investment of such funds held for the credit of the Escrow. The Escrow Agent is hereby authorized to file such subscriptions and other documents supplemental thereto as may be required to consummate such investment. No other funds deposited to the Escrow, including deposits made pursuant to **Section 2.02**, shall be invested by the Escrow Agent, *except* as described in this Section and **Section 4.02**.

B. The Escrow Agent shall, at the written request of the Issuer, invest all money credited to the Escrow which is not used to purchase Defeasance Securities described in **Exhibit B** pursuant to **Section 4.01A** in Defeasance Securities specified by the Issuer and which the Issuer certifies mature no later than the next date payments are due on the Refunded Obligations as set forth in **Exhibit A**, assuming no further reinvestments pursuant to **Section 4.02**.

D. Whenever any funds held hereunder are invested in any Defeasance Security, the Escrow Agent shall, not later than the time of payment for such Defeasance Security, (1) take (or cause its agent to take) possession thereof in the case of Defeasance Security evidenced by certificates, (2) in the case of registered obligations evidenced by certificates, receive (or cause its agent to receive) either due endorsement thereof by or a power of attorney executed by the registered owner thereof authorizing transfer of registration thereof to the Escrow Agent, as the case may be, or in blank, and (3) in the case of book entry securities not evidenced by a certificate, receive (or cause its agent to receive) evidence of transfer of ownership on the books kept for registration thereof to the Escrow Agent, as the case may be, *except* that the requirements of Clauses (1), (2), and (3) need not be met prior to payment for any Defeasance Security if the Escrow Agent holds a binding obligation for the purchase thereof which is collateralized by a Defeasance Security which complies with the requirements of such Clauses and which bears rights to payment in not less than the amounts and by not later than the dates for payments on the Defeasance Security for which payment is made.

E. Concurrently with the sale and initial delivery of the Refunding Bonds, there may be substituted at the written direction of the Issuer, cash and/or Defeasance Securities other than any of the Defeasance Securities listed in ***Exhibit B*** hereto, but only if there is delivered to the Escrow Agent a certificate of an Accountant containing the statement required by ***Section 4.02A*** and an Opinion of Counsel containing the statement required by ***Section 4.02B***. The Escrow Agent may at any time thereafter substitute any Defeasance Securities listed in ***Exhibit B*** hereto which, as permitted by the preceding sentence, were not deposited to the credit of the Escrow Fund concurrently with the initial delivery of amounts for the cash or Defeasance Securities which were so deposited; *provided, however*, that the Escrow Agent shall be under no obligation to so do except upon the written direction of, and at the sole expense of, the Issuer and that the Escrow Agent is required to receive further verification of the accountant as to the sufficiency of the Escrow as required by ***Section 4.02A***.

SECTION 4.02. *Modification of Investments.*

In addition to the reinvestments permitted by ***Section 4.01***, the Escrow Agent shall, at the written request of the Issuer, invest any cash or other uninvested funds held for the credit of the Escrow, or sell or redeem Defeasance Securities held for the credit of the Escrow and reinvest the proceeds of such sale or redemption, in Defeasance Securities designated by the Issuer, but (except as otherwise provided in this Article) only upon receipt by the Escrow Agent of

A. a certificate of an Accountant stating that, after giving effect to such request, the Defeasance Securities held for the credit of the Escrow are of such maturities and interest payment dates and bear such interest as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom, be sufficient, together with all cash and other immediately available uninvested funds held for the credit of the Escrow, to pay the principal of and interest on the Refunded Obligations when due; and

B. an unqualified Opinion of Counsel stating that compliance with such request (1) will not adversely affect the excludability of interest on any Refunded Obligation from the gross income of the owner thereof for federal income tax purposes and (2) complies with all state law and relevant documents relating to the issue and approval of the Refunded Obligations.

SECTION 4.03. *Security for Uninvested Funds.*

Unless invested in Defeasance Securities, all money held for the credit of the Escrow in excess of the amount insured by the Federal Deposit Insurance Corporation or other federal agency shall be continuously secured by the Escrow Agent, for the benefit of the Issuer and the holders of the Refunded Obligations and appurtenant coupons, by lodging with a bank or trust company as collateral security Defeasance Securities having a market value at all times, exclusive of accrued interest, not less than the amount of such excess amount, or in such other manner as may hereafter be required by applicable state or federal laws and regulations regarding the security for, and the granting of a preference in case of, the deposit of trust money.

SECTION 4.04. *Reports.*

Promptly after each December 31 during the term hereof, the Escrow Agent shall file with the Issuer a report stating the amount of and describing the investments and cash held for the credit of the Escrow on such anniversary date and stating the amounts and dates of each receipt and disbursement of funds by and from the Escrow during the 12 months then ended.

The Escrow Agent shall keep an independent accounting of the amount of and describing the investments and cash held for the credit of the Escrow attributable to the payment of the Refunded Interest, to be provided to the trustee and paying agent of such obligations upon request.

In addition to the reports required hereunder, the Escrow Agent shall, upon the written request of the Issuer, provide the Issuer with such information in the possession of the Escrow Agent as may be reasonably requested by the Issuer to determine or substantiate the amounts payable by the Issuer to the United States of America pursuant to the Resolution authorizing the redemption and defeasance of the Refunded Obligations.

ARTICLE FIVE

THE ESCROW AGENT

SECTION 5.01. *Certain Responsibilities.*

A. The Escrow Agent undertakes to perform such duties and only such duties as are specifically set forth in this Escrow Agreement, and no implied covenants or obligations shall be read into this Escrow Agreement against the Escrow Agent.

B. In the absence of bad faith on its part, the Escrow Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Escrow Agent and conforming to the requirements of this Escrow Agreement.

C. No provision of this Escrow Agreement may be construed to relieve the Escrow Agent from liability for its own negligence or its own negligent failure to act, *except* that

(1) this Subsection may not be construed to limit the effect of **Subsections A** and **B** of this Section;

(2) the Escrow Agent is not liable for any error of judgment made in good faith by any of its officers, unless it is proved that the Escrow Agent was negligent in ascertaining the pertinent facts;

(3) no provision of this Escrow Agreement requires the Escrow Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its rights, hereunder

if it has reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

D. Whether or not therein expressly so provided, every provision of this Escrow Agreement relating to the conduct or affecting the liability of or affording protection to the Escrow Agent is subject to the provisions of this Article.

E. The liability of the Escrow Agent to transfer funds for the payment of the principal of and interest on the Refunded Obligations to the paying agent therefor shall be limited to the proceeds of the investments and the cash balances from time to time on deposit in the Escrow.

F. To the full extent permitted by law, the Issuer agrees to indemnify, defend, and hold the Escrow Agent and its officers, directors, and employees harmless from and against any and all loss, damage, tax, liability, and expense that may be incurred by the Escrow Agent arising out of or in connection with its acceptance, appointment, or performance as Escrow Agent hereunder, including attorneys fees and expenses of defending itself against any claim or liability in connection with its performance hereunder except that the Escrow Agent shall not be indemnified for any loss, damage, tax, liability, or expense resulting from its own negligence, gross negligence, or willful misconduct.

SECTION 5.02. *Certain Rights of Escrow Agent.*

Except as otherwise provided in **Section 5.01** hereof:

A. the Escrow Agent may rely and is protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties;

B. the Escrow Agent may consult with legal counsel and the written advice of such counsel or any Opinion of Counsel is full and complete authorization and protection in respect of any action taken, suffered, or omitted by the Escrow Agent hereunder in good faith and in reliance thereon;

C. the Escrow Agent is not bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond or other paper or document, but the Escrow Agent, in its discretion, may make such further inquiry or investigation into such facts or matters as it sees fit, and, if the Escrow Agent determines to make such further inquiry or investigation, it is entitled to examine the books, records, and premises of the Issuer, personally or by agent or attorney; and

D. whenever in the administration of this Escrow Agreement the Escrow Agent deems it necessary or desirable that a matter be proved or established prior to taking or suffering or omitting any action hereunder, such matter may be deemed to be conclusively proved and established by any Certificate signed by the President or Vice

President of the board of directors of the Authority delivered to the Escrow Agent, and the Escrow Agent may rely upon such certificate for any action taken, suffered, or omitted by it in good faith hereunder.

E. In no event shall the Escrow Agent be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit), irrespective of whether the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

F. In no event shall the Escrow Agent be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, epidemics, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services. Upon the occurrence of any such event, the Escrow Agent shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

G. The Escrow Agent shall have the right to accept and act upon instructions or directions pursuant to this Escrow Agent sent in the form of a manually signed document by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the Issuer shall provide to the Escrow Agent an incumbency certificate listing designated persons with the authority to provide such instructions and containing specimen signatures of such designated persons, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Escrow Agent e-mail or facsimile instructions (or instructions by a similar electronic method) and the Escrow Agent in its discretion elects to act upon such instructions, the Escrow Agent's understanding of such instructions shall be deemed controlling. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such instructions notwithstanding that such instructions conflict or are inconsistent with a subsequent written instruction. The Issuer agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Escrow Agent, including, without limitation, the risk of the Escrow Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

SECTION 5.03. *Not Responsible for Recitals or Investment or Application of Funds.*

The recitals contained herein are the statements of the Issuer, and the Escrow Agent assumes no responsibility for their correctness. The Escrow Agent makes no representations as to, and has no responsibility to evaluate, the sufficiency, value, or suitability of the investments which it is directed to make hereunder, or as to the title of the Issuer thereto, or as to the security afforded thereby or hereby, or as to the sufficiency, yield, validity, or

genuineness of any securities at any time pledged and deposited with the Escrow Agent hereunder, or as to the validity or sufficiency of this Escrow Agreement. The Escrow Agent is not accountable for the use or application by any substitute paying agents or paying agents other than itself for the Refunded Obligations and appurtenant coupons or the Issuer of any money paid to them under any provision hereof.

SECTION 5.04. *May Hold Refunded Obligations.*

The Escrow Agent, in its individual or any other capacity, may become the owner or pledgee of Refunded Obligations and appurtenant coupons with the same rights it would have if it were not Escrow Agent.

SECTION 5.05. *Compensation and Reimbursement.*

The Issuer agrees:

A. to pay to the Escrow Agent on the Deposit Date, for services rendered by it hereunder (which compensation is not limited by any provision of law in regard to the compensation of a trustee of an express trust), the amounts reflected in *Exhibit C*, such compensation being the only payment for such services except as otherwise described in this Section provided, however, this sum does not include the cost of providing notices of defeasance of the Refunded Obligations to the holder thereof, printing costs, or reasonable out-of-pocket costs of the Escrow Agent;

B. except as otherwise expressly provided herein, to reimburse the Escrow Agent and the paying agent for the Refunded Obligations upon either of their request for all reasonable expenses, disbursements, and advances incurred or made by the Escrow Agent or the paying agent in accordance with any provisions of this Escrow Agreement or any paying agency agreement with respect to the Refunded Obligations (including the reasonable compensation, expenses, and disbursements of its agents and counsel and publication, printing, or other out-of-pocket costs) at the request of the Issuer, except any such expense, disbursement, or advance as may be determined by a court of competent jurisdiction to be attributable to the negligence or bad faith of the Escrow Agent or such paying agents; and

C. to indemnify the Escrow Agent for, and to hold it harmless against, any loss, damage, tax, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the Escrow, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its rights or duties hereunder, to the extent permitted by law.

D. the Issuer has made arrangements with the Escrow Agent, as paying agent for the Refunded Obligations for its duties as paying agent and such arrangements satisfy the financial obligations of the Issuer to such paying agent. The Escrow Agent agrees to continue to serve and to carry out its duties of paying agent on the Refunded Obligations

over the life of such bonds, except to the extent provided or permitted in the documents pursuant to which the Refunded Obligations were issued.

The Escrow Agent is not secured under this Escrow Agreement by any security interest in or pledge of, and will assert no lien upon, the funds held by it hereunder except to the extent of surplus funds after payment in full of all the Refunded Obligations and appurtenant coupons, and the Escrow Agent shall not have the right to use or apply any funds held by it hereunder except to that extent. The Escrow Agent agrees, in its capacity as Escrow Agent hereunder, that the provisions of this Section adequately provide to its satisfaction for its fees and expenses hereunder.

SECTION 5.06. *Corporate Escrow Agent Required; Eligibility.*

There must at all times be an Escrow Agent hereunder which is a corporation organized and doing business under the laws of the United States of America or of any State, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least \$50,000,000, and subject to supervision or examination by federal or state authority. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of such supervising or examining authority, then for the purposes of this Section the combined capital and surplus of such corporation will be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Escrow Agent ceases to be eligible in accordance with the provisions of this Section, it is required to resign immediately in the manner and with the effect hereinafter specified in this Article.

SECTION 5.07. *Resignation and Removal; Appointment of Successor.*

A. No resignation or removal of the Escrow Agent and no appointment of a successor Escrow Agent pursuant to this Article is effective until the acceptance of appointment by the successor Escrow Agent under **Section 5.08**.

B. The Escrow Agent may resign at any time by giving written notice thereof to the Issuer. If an instrument of acceptance by a successor Escrow Agent shall not have been delivered to the Escrow Agent within 30 days after the giving of such notice of resignation, the resigning Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor Escrow Agent.

C. The Escrow Agent may be removed at any time by an instrument or instruments executed by the holders of a majority in principal amount of the Refunded Obligations, delivered to the Escrow Agent, the paying agent for the Refunded Obligations, and the Issuer.

D. If at any time:

(1) the Escrow Agent ceases to be eligible under **Section 5.06** and fails to resign after written request therefor by the Issuer or any holder of a Refunded Obligation, or

(2) the Escrow Agent becomes incapable of acting or is adjudged a bankrupt or insolvent or a receiver of the Escrow Agent or of its property is appointed or any public officer takes charge or control of the Escrow Agent or of its property or affairs for the purpose of rehabilitation, conservation, or liquidation,

then, in any such case, (a) the Issuer by a resolution of its Governing Body may remove the Escrow Agent, or (b) any person who has been a bona fide holder of a Refunded Obligation for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Escrow Agent and the appointment of a successor Escrow Agent.

E. If the Escrow Agent resigns, is removed, or become incapable of acting, or if a vacancy shall occur in the office of Escrow Agent for any cause, the Issuer, by a resolution of its Governing Body, shall promptly appoint a successor Escrow Agent. In case all or substantially all of the Escrow is in the possession of a receiver or trustee lawfully appointed, such receiver or trustee, by written instrument, may similarly appoint a successor to fill such vacancy until a new Escrow Agent is so appointed by the holders of Refunded Obligations. If, within one year after such resignation, removal, or incapability, or the occurrence of such vacancy, a successor Escrow Agent is appointed by one or more instruments executed by the holders of a majority in principal amount of the Refunded Obligations delivered to the Issuer and the retiring Escrow Agent, then the successor Escrow Agent so appointment shall, forthwith upon its acceptance of such appointment, become the successor Escrow Agent and supersede the successor Escrow Agent appointed by the Issuer or by such receiver or trustee. If no successor Escrow Agent has been so appointed by the Issuer or the holders of Refunded Obligations and accepted appointment in the manner hereinafter provided, then the retiring Escrow Agent may, or any person who has been a bona fide holder of a Refunded Obligation for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Escrow Agent.

SECTION 5.08. *Acceptance of Appointment by Successor.*

Every successor Escrow Agent appointed hereunder is required to execute, acknowledge, and deliver to the Issuer and the retiring Escrow Agent an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Escrow Agent is effective and such successor Escrow Agent, without any further act, deed, or conveyance, is vested with all the estates, properties, rights, powers, trusts, and duties of the retiring Escrow Agent; but, on request of the Issuer or the successor Escrow Agent, such retiring Escrow Agent shall, upon payment of its charges, execute and deliver an instrument conveying and transferring to such successor Escrow Agent upon the trusts herein expressed all the estates, properties, rights, powers, and trusts of the retiring Escrow Agent, and shall duly assign, transfer, and deliver to such successor Escrow Agent all investments, money, and other property held by such retiring Escrow Agent hereunder. Upon request of any such successor Escrow Agent, the Issuer shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Escrow Agent all such estates, properties, rights, powers, and trusts.

No successor Escrow Agent may accept its appointment unless at the time of such acceptance such successor Escrow Agent is qualified and eligible under this Article.

SECTION 5.09. *Merger, Conversion, Consolidation, or Succession to Business.*

Any corporation into which the Escrow Agent is merged or converted or with it may be consolidated, or any corporation resulting from any merger, conversion, or consolidation to which the Escrow Agent is a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Escrow Agent, is the successor of the Escrow Agent hereunder, *provided* such corporation is otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto.

SECTION 5.10. *Redemption of Refunded Obligations.*

The Issuer hereby irrevocably instructs the Paying Agent for the Refunded Obligations to mail notices of defeasance of the Refunded Obligations in accordance with the provisions of the indentures authorizing the issuance of the Refunded Obligations, and by registered mail, overnight delivery, or other comparably secure means, to each registered securities depository and to each national information service that disseminates redemption notices) known to the paying agent not less than 30 days prior to the redemption date therefor. The Issuer consents to publication of such notices substantially in the form set forth in ***Exhibit D*** for each Series of Refunded Obligations.

The Escrow Agent further accepts and acknowledges this Escrow Agreement as notice of the redemption of the Refunded Obligations to be redeemed.

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be duly executed as of the day and year first above written.

HARRIS COUNTY-HOUSTON SPORTS
AUTHORITY

By: 
Chair, Board of Directors

ATTEST:

By: _____
Secretary, Board of Directors

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be duly executed as of the day and year first above written.

HARRIS COUNTY-HOUSTON SPORTS
AUTHORITY

By: _____
Chair, Board of Directors

ATTEST:

By: 
Secretary, Board of Directors

UMB BANK, NATIONAL ASSOCIATION
as Escrow Agent

By: Patricia M Peters
Agent

EXHIBIT A
ESCROW DEBT SERVICE

ESCROW CASH FLOW

HCHSA Senior & 2nd Lien Restructuring (Tender)
Taxable Senior Lien Revenue Refunding Bonds, Series 2020B
Final Numbers
September 30, 2020

Date	Principal	Interest	Net Escrow Receipts
11/15/2020	206,504.00	2,359.46	208,863.46
05/15/2021	6,652,367.00	15,644.30	6,668,011.30
11/15/2021	9,957,705.00	11,671.11	9,969,376.11
05/15/2022	6,580,182.00	6,692.26	6,586,874.26
11/15/2022	5,121,926.00	3,073.16	5,124,999.16
	28,518,684.00	39,440.29	28,558,124.29

Escrow Cost Summary

Purchase date	10/09/2020
Purchase cost of securities	28,518,684.00

EXHIBIT B

CONFIRMATION OF PURCHASE OF DEFEASANCE SECURITIES



DEPARTMENT OF THE TREASURY

BUREAU OF THE FISCAL SERVICE

PARKERSBURG, WV 26106-0396

SUBSCRIPTION CONFIRMATION

State and Local Government Series Securities

Treasury Case Number:	202003089
Program Type:	Time Deposit
Issue Amount:	\$28,518,684.00
Issue Date:	10/09/2020
Owner Name:	Harris County-Houston Sports Authority
TIN:	76-0548093
Rate Table Date:	09/30/2020
Status:	Complete
Confirmation Date:	09/30/2020
Confirmation Time:	05:39 PM EDT



**U.S. Treasury Securities
SLGS Time Deposit
Subscription View**

OMB: No: 1535-0092
Date/Time: 09/30/2020 05:40 PM EDT
Page: 1 of 2

Issue Information

Treasury Case Number 202003089
Status Complete
Issue Date 10/09/2020
Issue Amount \$28,518,684.00
Rate Table Date 09/30/2020

Owner

Taxpayer Identification Number 76-0548093
Underlying Bond Issue Taxable Senior Lien Revenue Refunding Bonds, Series 2020B
Owner Name Harris County-Houston Sports Authority
Address Line 1 701 Avenida de las Americas
Line 2 Suite 450
Line 3
City Houston
State TX
Zip Code 77010
Contact Name Tom Waggoner
Telephone 713-308-5910
Fax
E-mail TWaggoner@houstonsports.org

Trustee

ABA Routing Number 101000695
Bank Reference Number
Bank Name UMB Bank, n.a.
Address Line 1 Corporate Trust Division
Line 2 928 Grand Blvd.
Line 3
City Kansas City
State MO
Zip Code 64106
Contact Name Patricia Peters
Telephone 303-764-3604
Fax
E-mail Patricia.Peters@umb.com

Funds for Purchase

ABA Routing Number 101000695
Bank Name UMB Bank, n.a.
Contact Name Patricia Peters
Telephone 303-764-3604
Fax
E-mail Patricia.Peters@umb.com



**U.S. Treasury Securities
SLGS Time Deposit
Subscription View**

OMB: No: 1535-0092
Date/Time: 09/30/2020 05:40 PM EDT
Page: 2 of 2

ACH Institutions & Instructions

ABA Routing Number 101000695

Bank Name UMB Bank, n.a.

Address Line 1 Corporate Trust
Division

Line 2 928 Grand Blvd.

Line 3

City Kansas City

State MO

Zip Code 64106

Contact Name Patricia Peters

Telephone 303-764-3604

Fax

E-mail Patricia.Peters@umb.com

ABA Routing Number 101000695

Account Name UMB Trust Clearance

Account Number 9801018981

Account Type Checking

Subscriber

ABA/TIN 86-4640889

Organization Name Masterson Advisors LLC

Address Line 1 3 Greenway Plaza, Suite 1100

Line 2

Line 3

City Houston

State TX

Zip Code 77046

Contact Name Benjamin Terry

Telephone 713-814-0559

Fax 713-814-0581

E-mail ben.terry@mastersonadvisors.com

Viewers

ABA/TIN	Organization Name
No Viewers Assigned	

Securities

Security Number	Security Type	Principal Amount	Interest Rate	Maturity Date	First Interest Payment Date	Security Description
1	C of I	\$206,504.00	0.060000000	11/15/2020		Certificate
2	C of I	\$6,652,367.00	0.100000000	05/15/2021		Certificate
3	Note	\$9,957,705.00	0.100000000	11/15/2021	11/15/2020	Note
4	Note	\$6,580,182.00	0.110000000	05/15/2022	11/15/2020	note
5	Note	\$5,121,926.00	0.120000000	11/15/2022	11/15/2020	note

EXHIBIT C

ESCROW AGENT COMPENSATION

ESCROW AGENT COMPENSATION

Escrow Agent One-Time Fee

\$2,000.00

EXHIBIT D

FORM OF NOTICE OF DEFEASANCE

Notice of Defeasance of \$9,965,000
Principal Amount of, and of Certain Interest Payments With Respect To
Harris County-Houston Sports Authority
Senior Lien Revenue Refunding Bonds, Series 2014A
Issued: December 23, 2014

NOTICE IS HEREBY GIVEN, in connection with the deposit by the Harris County-Houston Sports Authority (the “Authority”) of money and governmental obligations in an amount sufficient to defease such Authority’s obligation to pay \$9,965,000 in aggregate original principal amount, and certain interest payments, of the above-captioned Bonds, maturing as set forth below, and with a Dated Date of December 1, 2014, and an Issue Date of December 23, 2014; such Bonds (the “Refunded Bonds”), and certain interest payments with respect to certain other maturities of the above-captioned Bonds (the “Refunded Interest”) were defeased on October 9, 2020 pursuant to the provisions of the Fourth Amended and Restated Indenture of Trust between the Authority and UMB Bank, National Association, as trustee (the “Trustee”) dated December 1, 2014, and the Twenty-Fourth Supplemental Indenture of Trust between the Authority and the Trustee, dated as of December 1, 2014. Pursuant to escrow agreements between the Authority and UMB Bank, National Association, as escrow agent (the “Escrow Agent”), each dated October 1, 2020, there have been deposited with the Escrow Agent noncallable Defeasance Securities, the maturing principal of and interest on which, together with cash held in escrow, have been calculated to be sufficient to (i) pay the principal of and interest on the Refunded Bonds as the same become due and in accordance with the terms of the Refunded Bonds, and (ii) pay the Refunded Interest as the same becomes due and payable in accordance with the terms of the Bonds upon which the Refunded Interest will accrue.

The Refunded Bonds maturing on November 15 in the years, and in the principal amounts for each such Stated Maturity, are as follows:

Year of Maturity (November 15)	Principal Amount	Original CUSIP	Refunded Bond CUSIP Suffix	Principal Amount of Bonds Still Outstanding	Outstanding Bond CUSIP Suffix
2021	\$5,365,000	413893CV4			
2022	4,600,000	413893CW2			

On the Stated Maturity, the Principal Amount for said Refunded Bonds is due and payable. Said Refunded Bonds cease to accrue interest from and after the Stated Maturity.

The Refunded Interest, accruing and payable on the principal amounts and Stated Maturities of the Bonds for the periods shown, is as shown in the table below.

Year of Maturity (November 15)	Principal Amount on which the Refunded Interest Accrues	CUSIP	Refunded Interest Begin Date	Refunded Interest End Date
2022	\$7,425,000	413890CW2	11/16/2020	5/15/2022
2023	13,150,000	413890CX0	11/16/2020	5/15/2022

2024	26,080,000	413890CY8	11/16/2020	5/15/2022
2025	27,385,000	413890CZ5	11/16/2020	5/15/2022
2026	28,755,000	413890DA9	11/16/2020	5/15/2022
2027	30,195,000	413890DB7	11/16/2020	5/15/2022
2028	31,705,000	413890DC5	11/16/2020	5/15/2022
2029	33,290,000	413890DD3	11/16/2020	5/15/2022
2030	34,955,000	413890DE1	11/16/2020	5/15/2022
2031	1,810,000	413890DF8	11/16/2020	5/15/2022
2032	1,535,000	413890DG6	11/16/2020	5/15/2022
2033	1,245,000	413890DH4	11/16/2020	5/15/2022
2034	945,000	413890DJ0	11/16/2020	5/15/2022
2052	12,195,000	413890DK7	11/16/2020	5/15/2022

The Refunded Bonds should be surrendered on the Stated Maturity for payment of the Maturity Value at the principal office of UMB Bank, National Association, as Escrow Agent, or its successors in that capacity, in connection with the Refunded Bonds, at the addresses below.

<u>Registered/Certified Mail</u>	<u>Air Courier</u>	<u>In Person</u>
UMB Bank, NA CT Operations Mail Stop 1010408 928 Grand Blvd., 4 th Floor Kansas City, MO 64106-2040	UMB Bank CT Operations Mail Stop 1010408 928 Grand Blvd., 4 th Floor Kansas City, MO 64106-2040	UMB Bank CT Operations Mail Stop 1010408 928 Grand Blvd., 4 th Floor Kansas City, MO 64106-2040

Questions may be addressed to Corporate Trust Operations with the Escrow Agent at 1-800-416-6212.

EXHIBIT D-2

SERIES 2020C ESCROW AGREEMENT

(see Tab 29)

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

and

UMB BANK, NATIONAL ASSOCIATION
as Escrow Agent

ESCROW AGREEMENT

Dated as of October 1, 2020

TABLE OF CONTENTS

Page

PARTIES	1
RECITALS	1

ARTICLE ONE

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

SECTION 1.01.	Definitions.....	2
SECTION 1.02.	Notices, etc.....	3
SECTION 1.03.	Effect of Headings and Table of Contents	4
SECTION 1.04.	Successors and Assigns.....	4
SECTION 1.05.	Severability	4
SECTION 1.06.	Benefits of Escrow Agreement; Assignment.....	4
SECTION 1.07.	Governing Law	4
SECTION 1.08.	Amendment of Escrow Agreement.....	4
SECTION 1.09.	Term and Termination	5
SECTION 1.10.	Holiday.....	5
SECTION 1.11.	Time of Essence.....	6
SECTION 1.12.	Cumulative Rights	6
SECTION 1.13.	Form 1295	6
SECTION 1.14.	Boycott Verification.....	6
SECTION 1.15.	Terrorist Organization.....	6

ARTICLE TWO ESCROW

SECTION 2.01.	Deposit by Issuer.....	7
SECTION 2.02.	Deposit of Earnings.....	7
SECTION 2.03.	Escrow Held in Trust	7
SECTION 2.04.	Grant of Security Interest.....	8

ARTICLE THREE APPLICATION OF ESCROW

SECTION 3.01.	Payment of Principal and Interest	8
SECTION 3.02.	Payment of Surplus	8

ARTICLE FOUR INVESTMENTS AND SECURITY

SECTION 4.01.	Investments	9
SECTION 4.02.	Modification of Investments	10
SECTION 4.03.	Security for Uninvested Funds.....	10
SECTION 4.04.	Reports	11

TABLE OF CONTENTS

Page

ARTICLE FIVE THE ESCROW AGENT

SECTION 5.01.	Certain Responsibilities	11
SECTION 5.02.	Certain Rights of Escrow Agent	12
SECTION 5.03.	Not Responsible for Recitals or Investment or Application of Funds	13
SECTION 5.04.	May Hold Refunded Obligations	14
SECTION 5.05.	Compensation and Reimbursement	14
SECTION 5.06.	Corporate Escrow Agent Required; Eligibility	15
SECTION 5.07.	Resignation and Removal; Appointment of Successor	15
SECTION 5.08.	Acceptance of Appointment by Successor	16
SECTION 5.09.	Merger, Conversion, Consolidation, or Succession to Business	17
SECTION 5.10.	Redemption of Refunded Obligations	17
EXHIBIT A -	ESCROW DEBT SERVICE	
EXHIBIT B -	CONFIRMATION OF PURCHASE OF DEFEASANCE SECURITIES	
EXHIBIT C -	ESCROW AGENT COMPENSATION	
EXHIBIT D -	FORMS OF NOTICE OF DEFEASANCE	

THIS ESCROW AGREEMENT (this “*Escrow Agreement*”), dated as of October 1, 2020, between the Harris County-Houston Sports Authority (hereinafter together with any successor herein authorized referred to as the “*Issuer*”), a political subdivision of the State of Texas, and UMB Bank, National Association, as trustee and paying agent under that certain Fourth Amended and Restated Indenture of Trust, dated as of August 15, 1998, as amended and restated on May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014, and as further supplemented and amended (the “*Indenture*”), and acting herein as Escrow Agent (hereinafter together with any successor to its duties hereinunder referred to as the “*Escrow Agent*”), a national banking association organized and existing under the laws of the United States of America;

RECITALS

WHEREAS, the Issuer has previously issued its currently outstanding Senior Lien Revenue Refunding Bonds, Series 2001A, Senior Lien Revenue Refunding Bonds, Series 2014A, and Second Lien Revenue Refunding Bonds, Series 2014C (the “*Outstanding Bonds*”).

WHEREAS, the Authority desires to refund in whole or in part certain of the Outstanding Bonds (the “*Refunded Bonds*”), and certain of the interest payments (the “*Refunded Interest*”) on the Second Lien Revenue Refunding Bonds, Series 2014C, in the years and amounts specified in ***Exhibit A*** (the “*Refunded Obligations*”).

WHEREAS, under the provisions of Chapter 1207, Texas Government Code, as amended (the Act”), Chapter 1371, Texas Government Code, as amended, and Chapters 334 and 335, Texas Local Government Code, as amended, the Authority is authorized to sell refunding bonds in an amount sufficient, together with other available funds or resources, to provide for the payment of obligations which are to be refunded, and enter into an escrow agreement for the safekeeping, investment, reinvestment, administration, and disposition of such deposit of proceeds, upon such terms and conditions as the parties may agree, provided such deposit may be invested only in Defeasance Securities, which shall mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment of the Refunded Obligations;

WHEREAS, the Authority desires to refund the Refunded Obligations in order to restructure its outstanding debt, and to such end the Authority intends to issue its Taxable Second Lien Revenue Refunding Bonds, Series 2020C in the original principal amount of \$25,865,000 (the “*Refunding Bonds*”) in an amount sufficient, together with funds on hand, to make the deposit required hereby;

WHEREAS, the Authority has subscribed for the purchase of the Defeasance Securities described in ***Exhibit B***;

WHEREAS, pursuant to the Indenture, the Issuer is authorized to deposit available funds with the Escrow Agent for the Refunded Obligations, and enter into an escrow or similar agreement for the safekeeping, investment, reinvestment, administration, and disposition of such deposit of funds, upon such terms and conditions as the parties may agree, provided such deposit

may be invested only in Defeasance Securities which shall mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment of the defeased Refunded Obligations.

WHEREAS, the Issuer has determined, and Smith Klein and Company, independent certified public accountants, in conjunction with Public Finance Partners LLC, have verified, that the scheduled payments of principal of and interest on such obligations are in such amounts and to become due at such times so as to provide, together with the initial cash balance or securities herein provided, sufficient funds to pay all principal of and interest on the Refunded Obligations when due.

WHEREAS, the Escrow Agent is a commercial bank and is not a depository of the Issuer.

WHEREAS, the Escrow Agent is the Trustee under the Indenture.

WHEREAS, the Issuer has duly authorized the execution and delivery of this Escrow Agreement, and all things have been done which are necessary to constitute this Escrow Agreement a valid escrow, security, and trust agreement and contract for the security of the Refunded Obligations.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, and subject to the conditions herein set forth, the parties hereto covenant, agree, and bind themselves as follows:

ARTICLE ONE

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

SECTION 1.01. *Definitions.*

For all purposes of this Escrow Agreement, except as otherwise expressly provided or unless the context otherwise requires:

A. The terms defined in this Article have the meanings assigned to them in this Article, the terms defined in the recitals hereto have the meanings assigned to them in such recitals, and all such terms include the plural as well as the singular.

B. All references in this instrument to designated “*Articles*”, “*Sections*”, “*Exhibits*”, and other provisions are to the designated Articles, Sections, Exhibits, and other provisions of this instrument as originally executed.

C. The words “*herein*”, “*hereof*”, and “*hereunder*” and other words of similar import refer to this Escrow Agreement as a whole and not to any particular Article, Section, or other subdivision.

“*Accountant*” means an “Independent Accountant” as defined in the Indenture.

“Defeasance Securities” means direct and general obligations of, or obligations which as to principal and interest are unconditionally guaranteed as to full and timely payment by, the United States of America, to the payment of which the full faith and credit of the United States of America is irrevocably and unconditionally pledged, and which do not permit the redemption thereof at the option of the issuer thereof.

“Deposit Date” means October 9, 2020.

“Escrow” means the segregated escrow fund to be held by the Escrow Agent pursuant hereto.

“Escrow Agent” means the bank named as the Escrow Agent in the first paragraph of this instrument, or its duly authorized agent, until a successor Escrow Agent shall have become such pursuant to the applicable provisions hereof, and, thereafter, *“Escrow Agent”* shall mean such successor Escrow Agent.

“Governing Body” means the board of directors of the Issuer.

“Issuer” has the meaning stated in the first paragraph hereof.

“Opinion of Counsel” means a written opinion of counsel who may be counsel for the Issuer, shall be acceptable to the Escrow Agent, and shall be of nationally recognized standing in the field of municipal bond law.

“Refunded Interest” has the meaning ascribed to such term in the Recitals hereto.

“Refunded Obligations” has the meaning ascribed to such term in the Recitals hereto.

“Refunding Bonds” has the meaning ascribed to such term in the Recitals hereto.

SECTION 1.02. *Notices, etc.*

Any request, authorization, direction, notice, consent, waiver, report, or other document provided or permitted by this Escrow Agreement to be made upon, given or furnished to, or filed with,

A. the Issuer by the Escrow Agent shall be sufficient for every purpose hereunder if in writing and mailed, first-class postage prepaid, or by prepaid overnight delivery, to the Issuer addressed to its care of Partnership Tower, 701 Avenida de las Americas, Suite 450, Houston, Texas 77010, Attention: Chief Executive Officer, or at any other address previously furnished in writing to the Escrow Agent by the Issuer, or

B. the Escrow Agent by the Issuer shall be sufficient for every purpose hereunder if made, given, furnished, or filed in writing to or with the Escrow Agent at UMB Bank, National Association, 1670 Broadway, Denver, Colorado 80202, Attention:

Corporate Trust, or at any address previously furnished in writing to the Issuer by the Escrow Agent.

SECTION 1.03. *Effect of Headings and Table of Contents.*

The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 1.04. *Successors and Assigns.*

All covenants and agreements in this Escrow Agreement by the Issuer, and the Escrow Agent shall bind their respective successors and assigns, whether so expressed or not.

SECTION 1.05. *Severability.*

In case any provision of this Escrow Agreement or any application hereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. If Moody's Investors Service, Inc. is then rating the Refunded Obligations, the Issuer shall give Moody's Investors Service, Inc. notice at the address and in the manner provided in *Section 1.08* as soon as practicable after any determination by a court or administrative body to which Escrow Agent is a party of invalidity, illegality, or unenforceability of any provision or application of the Escrow Agreement.

SECTION 1.06. *Benefits of Escrow Agreement; Assignment.*

Nothing in this Escrow Agreement, expressed or implied, shall give any benefit or any legal or equitable right, remedy, or claim under this Escrow Agreement to any person or entity, other than the parties hereto and their successors hereunder and, as third party beneficiaries, the holders of the Refunded Obligations.

No party hereto may assign its rights or obligations hereunder to any other person or entity without the written consent of the other party hereto.

SECTION 1.07. *Governing Law.*

This Escrow Agreement shall be construed in accordance with and governed by the laws of the State of Texas and the federal laws of the United States of America.

SECTION 1.08. *Amendment of Escrow Agreement.*

The parties hereto may from time to time enter into one or more amendments or supplements hereto, for any of the following purposes:

A. to correct or clarify the description of any Defeasance Securities in which the Escrow may be invested hereunder; or

B. to evidence the succession of another entity to the Escrow Agent and the assumption by such successor of the covenants of the Escrow Agent herein; or

C. to cure any ambiguities or to correct or supplement any provision herein which may be inconsistent with any other provision herein with respect to the matters or questions arising under this Escrow Agreement, which shall not adversely affect the interests of the holders of the Refunded Obligations;

and this Escrow Agreement may not otherwise be amended or supplemented.

The Escrow Agent may in its discretion determine whether or not any Refunded Obligations would be affected by any amendment or supplement described in **Subsection C** and any such determination shall be conclusive upon every holder of Refunded Obligations. The Escrow Agent is not liable for any such determination made in good faith. The Escrow Agent may conclusively rely on an Opinion of Counsel with respect to any such determination.

In executing or accepting any supplement or amendment hereto, the Escrow Agent is entitled to receive and is be fully protected in relying upon an Opinion of Counsel stating that the execution of such supplement or amendment is authorized or permitted by this Escrow Agreement. The Escrow Agent may, but is not obligated to, enter into any such supplement or amendment which affects the rights, duties, or immunities of the Escrow Agent under this Escrow Agreement or otherwise.

To the extent that Moody's Investors Service is then rating the Refunded Obligations, the Issuer is required to give prior notice of any amendment hereto (including any amendment which causes the sale, substitution, or release of securities held hereunder), accompanied by copies of any proposed amendment, to Moody's Investors Service, Inc., Public Financing & Rating Desk/Refunded Obligations, 99 Church Street, New York, New York 10007, or at such other address as it may hereafter provide in writing to the Escrow Agent, *provided* that Moody's Investors Service, Inc., at the time of such amendment has issued a rating for the Refunded Obligations.

SECTION 1.09. *Term and Termination.*

The term of this Escrow Agreement commences on the date and at the time the amounts or securities are delivered hereunder to defease the Refunded Obligations, and terminates on the second business day following the final redemption or payment date of the Refunded Obligation as set forth in **Exhibit A**, unless terminated sooner pursuant to the provisions hereof.

SECTION 1.10. *Holiday.*

If the date for the payment or performance of any obligation hereunder is a Saturday, a Sunday, a legal holiday, or a day on which banking institutions generally in the City of Houston, Texas, are authorized or required by law or executive order to close and on which the primary corporate trust office of the Escrow Agent at which the Escrow Agreement is administered is closed, then the date for such payment or performance is the next succeeding day

which is not such a day, and such payment and performance has the same force and effect as if made or done on the original date therefor.

SECTION 1.11. *Time of Essence.*

Time is of the essence in the payment or performance of the obligations from time to time imposed upon the parties hereto by this Escrow Agreement.

SECTION 1.12. *Cumulative Rights.*

All of the rights of the Escrow Agent hereunder are cumulative of any other rights it may have by law or otherwise.

SECTION 1.13. *Form 1295.* Unless otherwise exempt, the Escrow Agent represents that it has submitted to the Issuer, a disclosure of interested parties form (the "Disclosure Form"), which was completed and filed with the Texas Ethics Commission (the "TEC") in accordance with the provisions of Section 2252.908, Texas Government Code, and the applicable rules adopted by the TEC (found at 1 Tex. Admin. Code § 46.1 - 46.5).

SECTION 1.14. *Boycott Verification.* The Escrow Agent hereby verifies that it and its parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this 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. The Escrow Agent understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Escrow Agent and exists to make a profit.

SECTION 1.15. *Terrorist Organization.*

The Escrow Agent represents that neither it nor any of its respective parent companies, 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, and posted on any of the following pages of such officer's internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

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 exclude the Escrow Agent 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. The Escrow Agent understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Escrow Agent and exists to make a profit.

ARTICLE TWO

ESCROW

SECTION 2.01. *Deposit by Issuer.*

The Issuer shall cause to be irrevocably deposited with the Escrow Agent at or before 12:30 p.m., Eastern standard time, on the Deposit Date, from proceeds of sale of the Refunding Bonds, and other available funds, the sum of \$19,773,258.60 to be applied pursuant to **Section 4.01**, contingent upon the authentication and delivery of the Refunding Bonds therefor.

The Issuer hereby represents to the Escrow Agent that the funds specified to be deposited pursuant to this Section are sufficient to pay the purchase price of the obligations described in **Exhibit B** and that the payments of principal of and interest on such obligations are, together with any remaining cash balance hereunder, sufficient to pay the principal of and interest on the Refunded Obligations, as the same shall become due and payable upon stated maturity or redemption, and that the Refunded Obligations and the interest thereon are to be paid at the times and in the amounts set forth and identified in **Exhibit A**.

SECTION 2.02. *Deposit of Earnings.*

All amounts received from the investment of funds held for the credit of the Escrow, including all interest paid on any such investments and all proceeds of any redemption or sale of such investments or proceeds paid upon the maturity thereof, shall be retained in the Escrow and invested and applied solely as provided herein, except as otherwise provided herein.

SECTION 2.03. *Escrow Held in Trust.*

All amounts deposited with the Escrow Agent hereunder shall be the property of the Issuer but shall be irrevocably held in trust by the Escrow Agent for the benefit of the holders of, and as security for the payment when due of, the Refunded Obligations and, to the extent of any surplus after payment thereof in full, for the benefit of the Issuer. If the Escrow Agent shall fail to account for any funds held, or required by this Escrow Agreement to be held, for the credit of the Escrow, such funds shall be and remain the property of the Issuer, and the Issuer shall, for the account of the holders of the Refunded Obligations and the appurtenant coupons, be entitled to the preferred claim upon such funds enjoyed by the beneficiary of an express trust.

The Escrow Agent shall irrevocably hold all funds and securities deposited, or required hereby to be deposited, to the Escrow in a separate trust fund and shall have no right or title with respect thereto. No such fund shall be considered a banking deposit with the Escrow Agent or be subject to checks or drafts drawn by the Issuer. The Escrow Agent shall have no

liability for interest on any funds deposited to the Escrow. Nothing herein contained shall be construed as requiring the Escrow Agent to keep the identical money, or any part thereof, in the Escrow, if it is impractical to do so, but money of an equal amount must always be maintained on deposit in the Escrow by the Escrow Agent.

The Escrow Agent shall hold, invest, secure, and apply all funds deposited, or required by this Escrow Agreement to be deposited, with it hereunder solely as provided herein.

SECTION 2.04. *Grant of Security Interest.*

To secure payment when due of the principal of and interest on the Refunded Obligations, the Issuer hereby pledges and grants to the Escrow Agent, for the benefit and account of the holders of the Refunded Obligations and of appurtenant coupons, a security interest in all of its right, title, and interest, if any, in and to all funds held hereunder and all investments thereof and agrees that the Escrow Agent shall have and may exercise all of the rights of a secured party granted by the Texas Uniform Commercial Code in respect thereof to the same extent as if such Code applied to such security interest.

ARTICLE THREE

APPLICATION OF ESCROW

SECTION 3.01. *Payment of Principal and Interest.*

The Escrow Agent shall, on each interest payment date for the Refunded Obligations as set forth in ***Exhibit A***, during the term hereof, set aside or deposit in trust with the paying agent for the Refunded Obligations and appurtenant coupons from cash or other immediately available funds held for the credit of the Escrow sufficient money to pay the principal of and interest on the Refunded Obligations then coming due.

SECTION 3.02. *Payment of Surplus.*

A. From time to time during the term of this Escrow Agreement, the Escrow Agent shall withdraw from the Escrow and pay to the Issuer (and shall, at the written request of the Issuer, redeem or sell obligations held for the credit of the Escrow to the extent required to pay) any amounts requested by the Issuer in writing, but only upon receipt of:

(1) a certificate of an Accountant stating that, after giving effect to such request, the Defeasance Securities held for the credit of the Escrow are of such maturities and interest payment dates and bear such interest as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom, be sufficient, together with all cash and other immediately available uninvested funds held for the credit of the Escrow, to pay the principal of and interest on the Refunded Obligations when due, and

(2) an unqualified Opinion of Counsel stating that compliance with such request (1) will not adversely affect excludability of interest on any

Refunded Obligation from the gross income of the owner thereof for federal income tax purposes and (2) complies with all state law and relevant documents relating to the issue and approval of the Refunded Obligations.

B. On the last day of the term of this Escrow Agreement, after setting aside or paying in full all amounts required by **Section 3.01** and satisfaction of the obligations of the Issuer provided in **Section 5.05**, the Escrow Agent shall disburse all remaining funds held for the credit of the Escrow to or on the order of the Issuer.

ARTICLE FOUR

INVESTMENTS AND SECURITY

SECTION 4.01. *Investments.*

A. At or prior to 12:30 p.m., Eastern standard time, on the Deposit Date, the Escrow Agent shall apply sufficient funds deposited by the Issuer pursuant to **Section 2.01** to the purchase of the Defeasance Securities described in (and pursuant to) the subscriptions reproduced in **Exhibit B**, as an investment of such funds held for the credit of the Escrow. The Escrow Agent is hereby authorized to file such subscriptions and other documents supplemental thereto as may be required to consummate such investment. No other funds deposited to the Escrow, including deposits made pursuant to **Section 2.02**, shall be invested by the Escrow Agent, *except* as described in this Section and **Section 4.02**.

B. The Escrow Agent shall, at the written request of the Issuer, invest all money credited to the Escrow which is not used to purchase Defeasance Securities described in **Exhibit B** pursuant to **Section 4.01A** in Defeasance Securities specified by the Issuer and which the Issuer certifies mature no later than the next date payments are due on the Refunded Obligations as set forth in **Exhibit A**, assuming no further reinvestments pursuant to **Section 4.02**.

D. Whenever any funds held hereunder are invested in any Defeasance Security, the Escrow Agent shall, not later than the time of payment for such Defeasance Security, (1) take (or cause its agent to take) possession thereof in the case of Defeasance Security evidenced by certificates, (2) in the case of registered obligations evidenced by certificates, receive (or cause its agent to receive) either due endorsement thereof by or a power of attorney executed by the registered owner thereof authorizing transfer of registration thereof to the Escrow Agent, as the case may be, or in blank, and (3) in the case of book entry securities not evidenced by a certificate, receive (or cause its agent to receive) evidence of transfer of ownership on the books kept for registration thereof to the Escrow Agent, as the case may be, *except* that the requirements of Clauses (1), (2), and (3) need not be met prior to payment for any Defeasance Security if the Escrow Agent holds a binding obligation for the purchase thereof which is collateralized by a Defeasance Security which complies with the requirements of such Clauses and which bears rights to payment in not less than the amounts and by not later than the dates for payments on the Defeasance Security for which payment is made.

E. Concurrently with the sale and initial delivery of the Refunding Bonds, there may be substituted at the written direction of the Issuer, cash and/or Defeasance Securities other than any of the Defeasance Securities listed in **Exhibit B** hereto, but only if there is delivered to the Escrow Agent a certificate of an Accountant containing the statement required by **Section 4.02A** and an Opinion of Counsel containing the statement required by **Section 4.02B**. The Escrow Agent may at any time thereafter substitute any Defeasance Securities listed in **Exhibit B** hereto which, as permitted by the preceding sentence, were not deposited to the credit of the Escrow Fund concurrently with the initial delivery of amounts for the cash or Defeasance Securities which were so deposited; *provided, however*, that the Escrow Agent shall be under no obligation to so do except upon the written direction of, and at the sole expense of, the Issuer and that the Escrow Agent is required to receive further verification of the accountant as to the sufficiency of the Escrow as required by **Section 4.02A**.

SECTION 4.02. *Modification of Investments.*

In addition to the reinvestments permitted by **Section 4.01**, the Escrow Agent shall, at the written request of the Issuer, invest any cash or other uninvested funds held for the credit of the Escrow, or sell or redeem Defeasance Securities held for the credit of the Escrow and reinvest the proceeds of such sale or redemption, in Defeasance Securities designated by the Issuer, but (except as otherwise provided in this Article) only upon receipt by the Escrow Agent of

A. a certificate of an Accountant stating that, after giving effect to such request, the Defeasance Securities held for the credit of the Escrow are of such maturities and interest payment dates and bear such interest as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom, be sufficient, together with all cash and other immediately available uninvested funds held for the credit of the Escrow, to pay the principal of and interest on the Refunded Obligations when due; and

B. an unqualified Opinion of Counsel stating that compliance with such request (1) will not adversely affect the excludability of interest on any Refunded Obligation from the gross income of the owner thereof for federal income tax purposes and (2) complies with all state law and relevant documents relating to the issue and approval of the Refunded Obligations.

SECTION 4.03. *Security for Uninvested Funds.*

Unless invested in Defeasance Securities, all money held for the credit of the Escrow in excess of the amount insured by the Federal Deposit Insurance Corporation or other federal agency shall be continuously secured by the Escrow Agent, for the benefit of the Issuer and the holders of the Refunded Obligations and appurtenant coupons, by lodging with a bank or trust company as collateral security Defeasance Securities having a market value at all times, exclusive of accrued interest, not less than the amount of such excess amount, or in such other manner as may hereafter be required by applicable state or federal laws and regulations regarding the security for, and the granting of a preference in case of, the deposit of trust money.

SECTION 4.04. *Reports.*

Promptly after each December 31 during the term hereof, the Escrow Agent shall file with the Issuer a report stating the amount of and describing the investments and cash held for the credit of the Escrow on such anniversary date and stating the amounts and dates of each receipt and disbursement of funds by and from the Escrow during the 12 months then ended.

The Escrow Agent shall keep an independent accounting of the amount of and describing the investments and cash held for the credit of the Escrow attributable to the payment of the Refunded Interest, to be provided to the trustee and paying agent of such obligations upon request.

In addition to the reports required hereunder, the Escrow Agent shall, upon the written request of the Issuer, provide the Issuer with such information in the possession of the Escrow Agent as may be reasonably requested by the Issuer to determine or substantiate the amounts payable by the Issuer to the United States of America pursuant to the Resolution authorizing the redemption and defeasance of the Refunded Obligations.

ARTICLE FIVE

THE ESCROW AGENT

SECTION 5.01. *Certain Responsibilities.*

A. The Escrow Agent undertakes to perform such duties and only such duties as are specifically set forth in this Escrow Agreement, and no implied covenants or obligations shall be read into this Escrow Agreement against the Escrow Agent.

B. In the absence of bad faith on its part, the Escrow Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Escrow Agent and conforming to the requirements of this Escrow Agreement.

C. No provision of this Escrow Agreement may be construed to relieve the Escrow Agent from liability for its own negligence or its own negligent failure to act, *except* that

(1) this Subsection may not be construed to limit the effect of **Subsections A** and **B** of this Section;

(2) the Escrow Agent is not liable for any error of judgment made in good faith by any of its officers, unless it is proved that the Escrow Agent was negligent in ascertaining the pertinent facts;

(3) no provision of this Escrow Agreement requires the Escrow Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its rights, hereunder

if it has reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

D. Whether or not therein expressly so provided, every provision of this Escrow Agreement relating to the conduct or affecting the liability of or affording protection to the Escrow Agent is subject to the provisions of this Article.

E. The liability of the Escrow Agent to transfer funds for the payment of the principal of and interest on the Refunded Obligations to the paying agent therefor shall be limited to the proceeds of the investments and the cash balances from time to time on deposit in the Escrow.

F. To the full extent permitted by law, the Issuer agrees to indemnify, defend, and hold the Escrow Agent and its officers, directors, and employees harmless from and against any and all loss, damage, tax, liability, and expense that may be incurred by the Escrow Agent arising out of or in connection with its acceptance, appointment, or performance as Escrow Agent hereunder, including attorneys fees and expenses of defending itself against any claim or liability in connection with its performance hereunder except that the Escrow Agent shall not be indemnified for any loss, damage, tax, liability, or expense resulting from its own negligence, gross negligence, or willful misconduct.

SECTION 5.02. *Certain Rights of Escrow Agent.*

Except as otherwise provided in **Section 5.01** hereof:

A. the Escrow Agent may rely and is protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties;

B. the Escrow Agent may consult with legal counsel and the written advice of such counsel or any Opinion of Counsel is full and complete authorization and protection in respect of any action taken, suffered, or omitted by the Escrow Agent hereunder in good faith and in reliance thereon;

C. the Escrow Agent is not bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond or other paper or document, but the Escrow Agent, in its discretion, may make such further inquiry or investigation into such facts or matters as it sees fit, and, if the Escrow Agent determines to make such further inquiry or investigation, it is entitled to examine the books, records, and premises of the Issuer, personally or by agent or attorney; and

D. whenever in the administration of this Escrow Agreement the Escrow Agent deems it necessary or desirable that a matter be proved or established prior to taking or suffering or omitting any action hereunder, such matter may be deemed to be conclusively proved and established by any Certificate signed by the President or Vice

President of the board of directors of the Authority delivered to the Escrow Agent, and the Escrow Agent may rely upon such certificate for any action taken, suffered, or omitted by it in good faith hereunder.

E. In no event shall the Escrow Agent be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit), irrespective of whether the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

F. In no event shall the Escrow Agent be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, epidemics, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services. Upon the occurrence of any such event, the Escrow Agent shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

G. The Escrow Agent shall have the right to accept and act upon instructions or directions pursuant to this Escrow Agent sent in the form of a manually signed document by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the Issuer shall provide to the Escrow Agent an incumbency certificate listing designated persons with the authority to provide such instructions and containing specimen signatures of such designated persons, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Escrow Agent e-mail or facsimile instructions (or instructions by a similar electronic method) and the Escrow Agent in its discretion elects to act upon such instructions, the Escrow Agent's understanding of such instructions shall be deemed controlling. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such instructions notwithstanding that such instructions conflict or are inconsistent with a subsequent written instruction. The Issuer agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Escrow Agent, including, without limitation, the risk of the Escrow Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

SECTION 5.03. *Not Responsible for Recitals or Investment or Application of Funds.*

The recitals contained herein are the statements of the Issuer, and the Escrow Agent assumes no responsibility for their correctness. The Escrow Agent makes no representations as to, and has no responsibility to evaluate, the sufficiency, value, or suitability of the investments which it is directed to make hereunder, or as to the title of the Issuer thereto, or as to the security afforded thereby or hereby, or as to the sufficiency, yield, validity, or

genuineness of any securities at any time pledged and deposited with the Escrow Agent hereunder, or as to the validity or sufficiency of this Escrow Agreement. The Escrow Agent is not accountable for the use or application by any substitute paying agents or paying agents other than itself for the Refunded Obligations and appurtenant coupons or the Issuer of any money paid to them under any provision hereof.

SECTION 5.04. *May Hold Refunded Obligations.*

The Escrow Agent, in its individual or any other capacity, may become the owner or pledgee of Refunded Obligations and appurtenant coupons with the same rights it would have if it were not Escrow Agent.

SECTION 5.05. *Compensation and Reimbursement.*

The Issuer agrees:

A. to pay to the Escrow Agent on the Deposit Date, for services rendered by it hereunder (which compensation is not limited by any provision of law in regard to the compensation of a trustee of an express trust), the amounts reflected in *Exhibit C*, such compensation being the only payment for such services except as otherwise described in this Section provided, however, this sum does not include the cost of providing notices of defeasance of the Refunded Obligations to the holder thereof, printing costs, or reasonable out-of-pocket costs of the Escrow Agent;

B. except as otherwise expressly provided herein, to reimburse the Escrow Agent and the paying agent for the Refunded Obligations upon either of their request for all reasonable expenses, disbursements, and advances incurred or made by the Escrow Agent or the paying agent in accordance with any provisions of this Escrow Agreement or any paying agency agreement with respect to the Refunded Obligations (including the reasonable compensation, expenses, and disbursements of its agents and counsel and publication, printing, or other out-of-pocket costs) at the request of the Issuer, except any such expense, disbursement, or advance as may be determined by a court of competent jurisdiction to be attributable to the negligence or bad faith of the Escrow Agent or such paying agents; and

C. to indemnify the Escrow Agent for, and to hold it harmless against, any loss, damage, tax, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the Escrow, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its rights or duties hereunder, to the extent permitted by law.

D. the Issuer has made arrangements with the Escrow Agent, as paying agent for the Refunded Obligations for its duties as paying agent and such arrangements satisfy the financial obligations of the Issuer to such paying agent. The Escrow Agent agrees to continue to serve and to carry out its duties of paying agent on the Refunded Obligations

over the life of such bonds, except to the extent provided or permitted in the documents pursuant to which the Refunded Obligations were issued.

The Escrow Agent is not secured under this Escrow Agreement by any security interest in or pledge of, and will assert no lien upon, the funds held by it hereunder except to the extent of surplus funds after payment in full of all the Refunded Obligations and appurtenant coupons, and the Escrow Agent shall not have the right to use or apply any funds held by it hereunder except to that extent. The Escrow Agent agrees, in its capacity as Escrow Agent hereunder, that the provisions of this Section adequately provide to its satisfaction for its fees and expenses hereunder.

SECTION 5.06. *Corporate Escrow Agent Required; Eligibility.*

There must at all times be an Escrow Agent hereunder which is a corporation organized and doing business under the laws of the United States of America or of any State, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least \$50,000,000, and subject to supervision or examination by federal or state authority. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of such supervising or examining authority, then for the purposes of this Section the combined capital and surplus of such corporation will be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Escrow Agent ceases to be eligible in accordance with the provisions of this Section, it is required to resign immediately in the manner and with the effect hereinafter specified in this Article.

SECTION 5.07. *Resignation and Removal; Appointment of Successor.*

A. No resignation or removal of the Escrow Agent and no appointment of a successor Escrow Agent pursuant to this Article is effective until the acceptance of appointment by the successor Escrow Agent under **Section 5.08**.

B. The Escrow Agent may resign at any time by giving written notice thereof to the Issuer. If an instrument of acceptance by a successor Escrow Agent shall not have been delivered to the Escrow Agent within 30 days after the giving of such notice of resignation, the resigning Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor Escrow Agent.

C. The Escrow Agent may be removed at any time by an instrument or instruments executed by the holders of a majority in principal amount of the Refunded Obligations, delivered to the Escrow Agent, the paying agent for the Refunded Obligations, and the Issuer.

D. If at any time:

(1) the Escrow Agent ceases to be eligible under **Section 5.06** and fails to resign after written request therefor by the Issuer or any holder of a Refunded Obligation, or

(2) the Escrow Agent becomes incapable of acting or is adjudged a bankrupt or insolvent or a receiver of the Escrow Agent or of its property is appointed or any public officer takes charge or control of the Escrow Agent or of its property or affairs for the purpose of rehabilitation, conservation, or liquidation,

then, in any such case, (a) the Issuer by a resolution of its Governing Body may remove the Escrow Agent, or (b) any person who has been a bona fide holder of a Refunded Obligation for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Escrow Agent and the appointment of a successor Escrow Agent.

E. If the Escrow Agent resigns, is removed, or become incapable of acting, or if a vacancy shall occur in the office of Escrow Agent for any cause, the Issuer, by a resolution of its Governing Body, shall promptly appoint a successor Escrow Agent. In case all or substantially all of the Escrow is in the possession of a receiver or trustee lawfully appointed, such receiver or trustee, by written instrument, may similarly appoint a successor to fill such vacancy until a new Escrow Agent is so appointed by the holders of Refunded Obligations. If, within one year after such resignation, removal, or incapability, or the occurrence of such vacancy, a successor Escrow Agent is appointed by one or more instruments executed by the holders of a majority in principal amount of the Refunded Obligations delivered to the Issuer and the retiring Escrow Agent, then the successor Escrow Agent so appointment shall, forthwith upon its acceptance of such appointment, become the successor Escrow Agent and supersede the successor Escrow Agent appointed by the Issuer or by such receiver or trustee. If no successor Escrow Agent has been so appointed by the Issuer or the holders of Refunded Obligations and accepted appointment in the manner hereinafter provided, then the retiring Escrow Agent may, or any person who has been a bona fide holder of a Refunded Obligation for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Escrow Agent.

SECTION 5.08. *Acceptance of Appointment by Successor.*

Every successor Escrow Agent appointed hereunder is required to execute, acknowledge, and deliver to the Issuer and the retiring Escrow Agent an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Escrow Agent is effective and such successor Escrow Agent, without any further act, deed, or conveyance, is vested with all the estates, properties, rights, powers, trusts, and duties of the retiring Escrow Agent; but, on request of the Issuer or the successor Escrow Agent, such retiring Escrow Agent shall, upon payment of its charges, execute and deliver an instrument conveying and transferring to such successor Escrow Agent upon the trusts herein expressed all the estates, properties, rights, powers, and trusts of the retiring Escrow Agent, and shall duly assign, transfer, and deliver to such successor Escrow Agent all investments, money, and other property held by such retiring Escrow Agent hereunder. Upon request of any such successor Escrow Agent, the Issuer shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Escrow Agent all such estates, properties, rights, powers, and trusts.

No successor Escrow Agent may accept its appointment unless at the time of such acceptance such successor Escrow Agent is qualified and eligible under this Article.

SECTION 5.09. *Merger, Conversion, Consolidation, or Succession to Business.*

Any corporation into which the Escrow Agent is merged or converted or with it may be consolidated, or any corporation resulting from any merger, conversion, or consolidation to which the Escrow Agent is a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Escrow Agent, is the successor of the Escrow Agent hereunder, *provided* such corporation is otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto.

SECTION 5.10. *Redemption of Refunded Obligations.*

The Issuer hereby irrevocably instructs the Paying Agent for the Refunded Obligations to mail notices of defeasance of the Refunded Obligations in accordance with the provisions of the indentures authorizing the issuance of the Refunded Obligations, and by registered mail, overnight delivery, or other comparably secure means, to each registered securities depository and to each national information service that disseminates redemption notices) known to the paying agent not less than 30 days prior to the redemption date therefor. The Issuer consents to publication of such notices substantially in the form set forth in ***Exhibit D*** for each Series of Refunded Obligations.

The Escrow Agent further accepts and acknowledges this Escrow Agreement as notice of the redemption of the Refunded Obligations to be redeemed.

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be duly executed as of the day and year first above written.

HARRIS COUNTY-HOUSTON SPORTS
AUTHORITY

By: 
Chair, Board of Directors

ATTEST:

By: _____
Secretary, Board of Directors

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be duly executed as of the day and year first above written.

HARRIS COUNTY-HOUSTON SPORTS
AUTHORITY

By: _____
Chair, Board of Directors

ATTEST:

By: 
Secretary, Board of Directors

UMB BANK, NATIONAL ASSOCIATION
as Escrow Agent

By: Patricia M. Peters
Agent

EXHIBIT A
ESCROW DEBT SERVICE

ESCROW CASH FLOW

HCHSA Senior & 2nd Lien Restructuring (Tender)
Taxable Second Lien Revenue Refunding Bonds, Series 2020C
Final Numbers
September 30, 2020

Date	Principal	Interest	Net Escrow Receipts
11/15/2020	233,085.00	1,989.51	235,074.51
05/15/2021	1,579,284.00	10,766.47	1,590,050.47
11/15/2021	8,780,677.00	9,823.23	8,790,500.23
05/15/2022	1,504,693.00	5,432.89	1,510,125.89
11/15/2022	7,675,518.00	4,605.31	7,680,123.31
	19,773,257.00	32,617.41	19,805,874.41

Escrow Cost Summary

Purchase date	10/09/2020
Purchase cost of securities	19,773,257.00

EXHIBIT B

CONFIRMATION OF PURCHASE OF DEFEASANCE SECURITIES



DEPARTMENT OF THE TREASURY

BUREAU OF THE FISCAL SERVICE

PARKERSBURG, WV 26106-0396

SUBSCRIPTION CONFIRMATION

State and Local Government Series Securities

Treasury Case Number:	202003090
Program Type:	Time Deposit
Issue Amount:	\$19,773,257.00
Issue Date:	10/09/2020
Owner Name:	Harris County-Houston Sports Authority
TIN:	76-0548093
Rate Table Date:	09/30/2020
Status:	Complete
Confirmation Date:	09/30/2020
Confirmation Time:	05:54 PM EDT



**U.S. Treasury Securities
SLGS Time Deposit
Subscription View**

OMB: No: 1535-0092
Date/Time: 09/30/2020 05:55 PM EDT
Page: 1 of 2

Issue Information

Treasury Case Number 202003090
Status Complete
Issue Date 10/09/2020
Issue Amount \$19,773,257.00
Rate Table Date 09/30/2020

Owner

Taxpayer Identification Number 76-0548093
Underlying Bond Issue Taxable Second Lien Revenue Refunding Bonds, Series 2020C
Owner Name Harris County-Houston Sports Authority
Address Line 1 701 Avenida de las Americas
Line 2 Suite 450
Line 3
City Houston
State TX
Zip Code 77010
Contact Name Tom Waggoner
Telephone 713-308-5910
Fax
E-mail TWaggoner@houstonsports.org

Trustee

ABA Routing Number 101000695
Bank Reference Number
Bank Name UMB Bank, n.a.
Address Line 1 Corporate Trust Division
Line 2 928 Grand Blvd.
Line 3
City Kansas City
State MO
Zip Code 64106
Contact Name Patricia Peters
Telephone 303-764-3604
Fax
E-mail Patricia.Peters@umb.com

Funds for Purchase

ABA Routing Number 101000695
Bank Name UMB Bank, n.a.
Contact Name Patricia Peters
Telephone 303-764-3604
Fax
E-mail Patricia.Peters@umb.com



**U.S. Treasury Securities
SLGS Time Deposit
Subscription View**

OMB: No: 1535-0092
Date/Time: 09/30/2020 05:55 PM EDT
Page: 2 of 2

ACH Institutions & Instructions

ABA Routing Number 101000695

Bank Name UMB Bank, n.a.

Address Line 1 Corporate Trust
Division

Line 2 928 Grand Blvd.

Line 3

City Kansas City

State MO

Zip Code 64106

Contact Name Patricia Peters

Telephone 303-764-3604

Fax

E-mail Patricia.Peters@umb.com

ABA Routing Number 101000695

Account Name UMB Trust Clearance

Account Number 9801018981

Account Type Checking

Subscriber

ABA/TIN 86-4640889

Organization Name Masterson Advisors LLC

Address Line 1 3 Greenway Plaza, Suite 1100

Line 2

Line 3

City Houston

State TX

Zip Code 77046

Contact Name Benjamin Terry

Telephone 713-814-0559

Fax 713-814-0581

E-mail ben.terry@mastersonadvisors.com

Viewers

ABA/TIN	Organization Name
No Viewers Assigned	

Securities

Security Number	Security Type	Principal Amount	Interest Rate	Maturity Date	First Interest Payment Date	Security Description
1	C of I	\$233,085.00	0.060000000	11/15/2020		Certificate
2	C of I	\$1,579,284.00	0.100000000	05/15/2021		Certificate
3	Note	\$8,780,677.00	0.100000000	11/15/2021	11/15/2020	Note
4	Note	\$1,504,693.00	0.110000000	05/15/2022	11/15/2020	Note
5	Note	\$7,675,518.00	0.120000000	11/15/2022	11/15/2020	Note

EXHIBIT C
ESCROW AGENT COMPENSATION

ESCROW AGENT COMPENSATION

Escrow Agent One-Time Fee

\$2,000.00

EXHIBIT D

FORMS OF NOTICE OF DEFEASANCE

EXHIBIT D-1

FORM OF NOTICE OF DEFEASANCE

Notice of Defeasance of \$1,215,106.20
in Aggregate Original Principal Amount of
Harris County-Houston Sports Authority
Senior Lien Revenue Bonds, Series 2001A
Issued: May 17, 2001

NOTICE IS HEREBY GIVEN, in connection with the deposit by the Harris County-Houston Sports Authority (the “Authority”) of money and governmental obligations in an amount sufficient to defease such Authority’s obligation to pay \$1,215,106.20 in aggregate original principal amount of the above-captioned Bonds, maturing as set forth below, and with a Dated Date of May 1, 2001, and an Issue Date of May 17, 2001; such Bonds were defeased on October 9, 2020 (the “Refunded Bonds”) pursuant to the provisions of the Fourth Amended and Restated Indenture of Trust between the Authority and UMB Bank, National Association, as trustee (the “Trustee”) dated December 1, 2014, and the Eighth Supplemental Indenture of Trust between the Authority and the Trustee, dated as of May 1, 2001, as amended and restated as of December 1, 2014. Pursuant to an Escrow Agreement between the Authority and UMB Bank, National Association, as escrow agent (the “Escrow Agent”), dated October 1, 2020, there have been deposited with the Escrow Agent noncallable Defeasance Securities, the maturing principal of and interest on which, together with cash held in escrow, have been calculated to be sufficient to pay the principal of and interest on the Refunded Bonds as the same become due and in accordance with the terms of the Refunded Bonds.

The Refunded Bonds maturing on November 15 in the years, and in the principal amounts for each such Stated Maturity, are as follows:

Year of Stated Maturity	Original Principal Amount	Original CUSIP	Maturity Value of Refunded Bonds	Maturity Value of Bonds Still Outstanding
2021	\$1,215,106.20	413893CG1	\$3,985,000	\$0 ¹

On the Stated Maturity, the Maturity Value for said Refunded Bonds is due and payable. Said Refunded Bonds cease to accrue interest from and after the Stated Maturity.

[The Remainder of this Page Intentionally Left Blank]

¹ After giving effect to the tender purchase of the remaining portion of the 2021 maturity of the Series 2001A Bonds.
51162500.7

The Refunded Bonds should be surrendered on the Stated Maturity for payment of the Maturity Value at the principal office of UMB Bank, National Association, as Escrow Agent, or its successors in that capacity, in connection with the Refunded Bonds, at the addresses below.

<u>Registered/Certified Mail</u>	<u>Air Courier</u>	<u>In Person</u>
UMB Bank, NA CT Operations Mail Stop 1010408 928 Grand Blvd., 4 th Floor Kansas City, MO 64106-2040	UMB Bank CT Operations Mail Stop 1010408 928 Grand Blvd., 4 th Floor Kansas City, MO 64106-2040	UMB Bank CT Operations Mail Stop 1010408 928 Grand Blvd., 4 th Floor Kansas City, MO 64106-2040

Questions may be addressed to Corporate Trust Operations with the Escrow Agent at 1-800-416-6212.

EXHIBIT D-2

FORM OF NOTICE OF DEFEASANCE

Notice of Defeasance of \$14,965,000
Principal Amount of, and of Certain Interest Payments With Respect To
Harris County-Houston Sports Authority
Senior Lien Revenue Refunding Bonds, Series 2014A
Issued: December 23, 2014

NOTICE IS HEREBY GIVEN, in connection with the deposit by the Harris County-Houston Sports Authority (the "Authority") of money and governmental obligations in an amount sufficient to defease such Authority's obligation to pay \$14,965,000 in aggregate original principal amount, and certain interest payments, of the above-captioned Bonds, maturing as set forth below, and with a Dated Date of December 1, 2014, and an Issue Date of December 23, 2014; such Bonds (the "Defeased Bonds"), and certain interest payments with respect to certain other maturities of the above-captioned Bonds (the "Refunded Interest") were defeased on October 9, 2020 pursuant to the provisions of the Fourth Amended and Restated Indenture of Trust between the Authority and UMB Bank, National Association, as trustee (the "Trustee") dated December 1, 2014, and the Twenty-Fourth Supplemental Indenture of Trust between the Authority and the Trustee, dated as of December 1, 2014. Pursuant to escrow agreements between the Authority and UMB Bank, National Association, as escrow agent (the "Escrow Agent"), each dated October 1, 2020, there have been deposited with the Escrow Agent noncallable Defeasance Securities, the maturing principal of and interest on which, together with cash held in escrow, have been calculated to be sufficient to (i) pay the principal of and interest on the Defeased Bonds as the same become due and in accordance with the terms of the Defeased Bonds, and (ii) pay the Refunded Interest as the same becomes due and payable in accordance with the terms of the Bonds upon which the Refunded Interest will accrue.

The Defeased Bonds maturing on November 15 in the years, and in the principal amounts for each such Stated Maturity, are as follows:

Year of Maturity (November 15)	Principal Amount of Defeased Bonds	Original CUSIP	Tendered Principal Amount Purchased by Authority	Defeased Bond CUSIP	Principal Amount of Bonds Still Outstanding	Outstanding Bond CUSIP
2021	\$5,365,000	413893CV4	\$12,995,000	-	\$0	-
2022	9,600,000	413893CW2	11,635,000	413890GG3	2,425,000	413890GJ7

On the Stated Maturity, the Principal Amount for said Defeased Bonds is due and payable. Said Defeased Bonds cease to accrue interest from and after the Stated Maturity.

[The remainder of this page is intentionally left blank.]

The Refunded Interest, payable on the dates and in the principal amounts shown in the table below.

Refunded Interest Payment Date	Refunded Interest
5/15/2021	\$6,461,875.00
11/15/2021	6,461,875.00
5/15/2022	6,461,875.00

The Defeased Bonds should be surrendered on the Stated Maturity for payment of the Maturity Value at the principal office of UMB Bank, National Association, as Escrow Agent, or its successors in that capacity, in connection with the Defeased Bonds, at the addresses below.

<u><i>Registered/Certified Mail</i></u> UMB Bank, NA CT Operations Mail Stop 1010408 928 Grand Blvd., 4 th Floor Kansas City, MO 64106-2040	<u><i>Air Courier</i></u> UMB Bank CT Operations Mail Stop 1010408 928 Grand Blvd., 4 th Floor Kansas City, MO 64106-2040	<u><i>In Person</i></u> UMB Bank CT Operations Mail Stop 1010408 928 Grand Blvd., 4 th Floor Kansas City, MO 64106-2040
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------

Questions may be addressed to Corporate Trust Operations with the Escrow Agent at 1-800-416-6212.

EXHIBIT D-3

FORM OF NOTICE OF DEFEASANCE

Notice of Defeasance of \$2,720,000
Principal Amount of, and of Certain Interest Payments With Respect To
Harris County-Houston Sports Authority
Senior Lien Revenue Refunding Bonds, Series 2014C
Issued: December 23, 2014

NOTICE IS HEREBY GIVEN, in connection with the deposit by the Harris County-Houston Sports Authority (the “Authority”) of money and governmental obligations in an amount sufficient to defease such Authority’s obligation to pay \$2,720,000 in aggregate original principal amount, and certain interest payments, of the above-captioned Bonds, maturing as set forth below, and with a Dated Date of December 1, 2014, and an Issue Date of December 23, 2014; such Bonds (the “Defeased Bonds”), and certain interest payments with respect to certain other maturities of the above-captioned Bonds (the “Refunded Interest”) were defeased on October 9, 2020 pursuant to the provisions of the Fourth Amended and Restated Indenture of Trust between the Authority and UMB Bank, National Association, as trustee (the “Trustee”) dated December 1, 2014, and the Twenty-Sixth Supplemental Indenture of Trust between the Authority and the Trustee, dated as of December 1, 2014. Pursuant to an Escrow Agreement between the Authority and UMB Bank, National Association, as escrow agent (the “Escrow Agent”), dated October 1, 2020, there have been deposited with the Escrow Agent noncallable Defeasance Securities, the maturing principal of and interest on which, together with cash held in escrow, have been calculated to be sufficient to (i) pay the principal of and interest on the Defeased Bonds as the same become due and in accordance with the terms of the Defeased Bonds, and (ii) pay the Refunded Interest as the same becomes due and payable in accordance with the terms of the Bonds upon which the Refunded Interest will accrue.

The Defeased Bonds maturing on November 15 in the years, and in the principal amounts for each such Stated Maturity, are as follows:

Year of Maturity (November 15)	Principal Amount	Original CUSIP	Tendered Principal Amount Purchased by Authority	Principal Amount of Bonds Still Outstanding
2021	\$1,150,000	413890DW1	\$1,940,000	\$0
2022	1,570,000	413890DX9	1,675,000	0

On the Stated Maturity, the Principal Amount for said Defeased Bonds is due and payable. Said Defeased Bonds cease to accrue interest from and after the Stated Maturity.

[The remainder of this page is intentionally left blank.]

The Refunded Interest, payable on the dates and in the principal amounts shown in the table below.

Refunded Interest Payment Date	Refunded Interest
5/15/2021	\$1,355,875.00
11/15/2021	1,355,875.00
5/15/2022	1,355,875.00
11/15/2022	1,355,875.00

The Defeased Bonds should be surrendered on the Stated Maturity for payment of the Maturity Value at the principal office of UMB Bank, National Association, as Escrow Agent, or its successors in that capacity, in connection with the Bonds, at the addresses below.

<u><i>Registered/Certified Mail</i></u> UMB Bank, NA CT Operations Mail Stop 1010408 928 Grand Blvd., 4 th Floor Kansas City, MO 64106-2040	<u><i>Air Courier</i></u> UMB Bank CT Operations Mail Stop 1010408 928 Grand Blvd., 4 th Floor Kansas City, MO 64106-2040	<u><i>In Person</i></u> UMB Bank CT Operations Mail Stop 1010408 928 Grand Blvd., 4 th Floor Kansas City, MO 64106-2040
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------

Questions may be addressed to Corporate Trust Operations with the Escrow Agent at 1-800-416-6212.

EXHIBIT E-1
PRELIMINARY OFFICIAL STATEMENT
(see Tab 10)

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 8, 2020

NEW ISSUES — BOOK-ENTRY ONLY

RATINGS: See "RATINGS" herein

The delivery of the Series 2020A Bonds is subject to the opinions of Co-Bond Counsel to the effect that, assuming continuing compliance by the Sports Authority after the date of such opinions with certain covenants described herein and subject to the matters described in "TAX MATTERS — TAX-EXEMPT BONDS," interest on the Series 2020A Bonds is excludable from gross income for federal income tax purposes under existing law and is not includable in the computation of alternative minimum taxable income of the owners thereof. See "TAX MATTERS — TAX-EXEMPT BONDS" herein for a discussion of the opinions of Co-Bond Counsel. Interest on the Series 2020B Bonds and the Series 2020C Bonds will not be excluded from gross income for federal income tax purposes. See "TAX MATTERS — TAXABLE BONDS."



\$100,000,000*
HARRIS COUNTY-HOUSTON
SPORTS AUTHORITY

**Senior Lien Revenue Refunding Bonds,
Series 2020A**

**Taxable Senior Lien Revenue Refunding Bonds,
Series 2020B**

\$25,000,000*

Taxable Second Lien Revenue Refunding Bonds, Series 2020C

Interest Accrual Date: Date of Delivery

CUSIP No. Prefix: 413890

Due: November 15, as shown herein

The captioned Senior Lien Revenue Refunding Bonds, Series 2020A (the "Series 2020A Bonds"), Taxable Senior Lien Revenue Refunding Bonds, Series 2020B (the "Series 2020B Bonds") and Taxable Second Lien Revenue Refunding Bonds, Series 2020C, (the "Series 2020C Bonds," together with the Series 2020A Bonds and the Series 2020B Bonds, the "Series 2020 Bonds") will be issued as fully-registered obligations by the Harris County-Houston Sports Authority (the "Sports Authority"). The Series 2020 Bonds are being issued pursuant to an Indenture of Trust, as supplemented (as more particularly described herein, the "Indenture"), between the Sports Authority and UMB Bank, National Association, as trustee (the "Trustee"). Capitalized terms used on the cover page hereof and not otherwise defined shall have the meaning assigned thereto as described in "INTRODUCTION" herein.

The Sports Authority, with the assistance of Wells Fargo Securities, as dealer manager, has released an "Invitation to Offer Bonds made by Harris County-Houston Sports Authority" dated September 8, 2020 (the "Tender Offer") inviting owners of certain bonds of the Sports Authority described herein to tender such bonds for purchase by the Sports Authority. Such purchase of tendered bonds will be funded by the Series 2020A Bonds. See PURPOSE AND PLAN OF FINANCE-Background, Tender and Purpose -Tender Offer" herein.

The proceeds of the Series 2020A Bonds, will be used to (i) refund certain interest payments with respect to certain outstanding bonds of the Sports Authority (the "Series 2020A Refunded Interest") and to refund certain outstanding bonds of the Sports Authority (the "Series 2020A Refunded Bonds"), as more particularly described in "SCHEDULE I — Refunded Obligations;" (ii) purchase certain bonds tendered pursuant to the Tender Offer, if any; (iii) purchase a bond insurance policy and a reserve fund surety policy for the Series 2020A Bonds, and (iv) pay costs of issuance relating to the Series 2020A Bonds, and to pay the costs of refunding the Series 2020A Refunded Interest and Series 2020A Refunded Bonds and the costs of the Tender Offer, all as more particularly described herein. The proceeds of the Series 2020B Bonds, will be used to

(i) refund certain interest payments with respect to certain outstanding bonds of the Sports Authority (the "Series 2020B Refunded Interest") and refund certain outstanding bonds of the Sports Authority (the "Series 2020B Refunded Bonds") as more particularly described in "SCHEDULE I — Refunded Obligations;" (ii) purchase a bond insurance policy and a reserve fund surety policy for the Series 2020B Bonds, and (iii) pay costs of issuance relating to the Series 2020B Bonds, pay the costs of refunding the Series 2020B Refunded Interest and Series 2020B Refunded Bonds and the costs of the Tender Offer, if any, all as more particularly described herein. Proceeds from the Series 2020C Bonds will be used to (i) refund certain outstanding bonds of the Sports Authority (the "Series 2020C Refunded Bonds") as more particularly described in "SCHEDULE I — Refunded Obligations;" (ii) fund a debt service reserve fund for the Series 2020C Bonds, (iii) purchase a bond insurance policy for the Series 2020C Bonds, and (iii) pay costs of issuance relating to the Series 2020C Bonds and to pay the costs of refunding the Series 2020C Refunded Bonds, all as more particularly described herein. See "PURPOSE AND PLAN OF FINANCE" and "SOURCES AND USES OF FUNDS."

The Series 2020 Bonds will accrue interest from the Date of Delivery, and interest will be payable on each May 15 and November 15, commencing May 15, 2021 and will be calculated on the basis of a 360-day year of twelve 30-day months. The Series 2020 Bonds are initially issuable only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC"), pursuant to the book-entry only system described herein. The Series 2020 Bonds will initially be available for purchasers only in book-entry form, and such purchasers will not receive certificates representing their beneficial ownership therein. Beneficial ownership may be acquired in principal denominations of \$5,000, or any integral multiple thereof. See "DESCRIPTION OF THE SERIES 2020 BONDS."

The Series 2020 Bonds, together with certain outstanding and additional parity obligations, are secured by a lien on the Trust Estate created under the Indenture. The Trust Estate includes all of the Sports Authority's right, title and interest in and to the Revenues (as defined herein), the Astros Payments and certain other moneys and accounts, all as more fully described herein. The liens on the Revenues and the Astros Payments securing the Series 2020C Bonds are subordinate to the liens on the Revenues and the Astros Payments securing the Outstanding Senior Lien Bonds, the Series 2020A Bonds and the Series 2020B Bonds and any Additional Senior Lien Bonds, if and when issued. See "SECURITY FOR THE SERIES 2020 BONDS." The Series 2020 Bonds are subject to redemption prior to maturity as described herein. See "DESCRIPTION OF THE SERIES 2020 BONDS — Redemption."

THE SERIES 2020 BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE SPORTS AUTHORITY AND ARE NOT OBLIGATIONS OF HARRIS COUNTY, THE CITY OF HOUSTON, THE STATE OF TEXAS OR ANY OTHER POLITICAL SUBDIVISION THEREOF. EXCEPT FOR THE LIMITED SPECIAL TAX REVENUES INCLUDED WITHIN THE REVENUES, THE OWNERS OF THE SERIES 2020 BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT OF ANY BOND OUT OF ANY FUNDS RAISED OR TO BE RAISED BY TAXATION. THE SPORTS AUTHORITY HAS NO AD VALOREM TAXING POWER.

The scheduled payment of principal of and interest on the Series 2020 Bonds when due will be guaranteed under separate insurance policies to be issued concurrently with the delivery of the Series 2020 Bonds by ASSURED GUARANTY MUNICIPAL CORP. (the "2020 Insurer or "AGM"). See "BOND INSURANCE," herein.

This cover page is not a summary of the Series 2020 Bonds. Potential investors must read the entire Official Statement to obtain information essential to making an informed investment decision. Investment in the Series 2020 Bonds is subject to certain investment considerations. See "INVESTMENT CONSIDERATIONS" herein.



See page i for maturity schedules, interest rates, initial yields and CUSIP numbers

The Series 2020 Bonds are offered by the Underwriters listed below when, as and if issued by the Sports Authority and accepted by the Underwriters, subject to the approval of the Attorney General of the State of Texas and the approval of certain legal matters by Norton Rose Fulbright US LLP, and The Hardwick Law Firm Houston, Texas, Co-Bond Counsel. Certain legal matters will be passed upon for the Sports Authority by its general counsel, Hunton Andrews Kurth LLP, Houston, Texas, and by Orrick Herrington & Sutcliffe LLP, Houston, Texas and The Law Office of Wendy Montoya Cloonan, PLLC, Houston, Texas, Special Disclosure Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Bracewell LLP, Houston, Texas, and West & Associates LLP, Houston, Texas. The Series 2020 Bonds are expected to be available for initial delivery to the Underwriters and credited through DTC on or about October 9, 2020 ("Date of Delivery").

Estrada Hinojosa

Wells Fargo Securities

Morgan Stanley

* Preliminary, subject to change.

MATURITY SCHEDULE

SERIES 2020A BONDS

<u>Maturity</u> <u>(November 15)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Initial Yield ⁽²⁾</u>	<u>CUSIP No. ⁽¹⁾</u>
2054	\$	%		
2055				
2056				

(Interest to accrue from Date of Delivery)

SERIES 2020B BONDS (TAXABLE)

<u>Maturity</u> <u>(November 15)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price</u>	<u>CUSIP No. ⁽¹⁾</u>
2054	\$	%	100%	
2055				
2056				

(Interest to accrue from Date of Delivery)

SERIES 2020C BONDS (TAXABLE)

<u>Maturity</u> <u>(November 15)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price</u>	<u>CUSIP No. ⁽¹⁾</u>
2035	\$	%	100%	
2036				
2037				
2038				
2039				
2040				

(Interest to accrue from Date of Delivery)

⁽¹⁾ CUSIP numbers have been assigned to this issue by the CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association, and are included solely for the convenience of the purchasers of the Series 2020 Bonds. Neither the Sports Authority nor the Underwriters shall be responsible for the selection or correctness of the CUSIP numbers set forth herein. The CUSIP number for a specific maturity is subject to being changed after the execution and delivery of the Series 2020 Bonds as a result of various subsequent actions, including but not limited to, a refunding in whole or in part of such maturity, or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Series 2020 Bonds.

⁽²⁾ The initial yield for such maturities of the Series 2020 Bonds is calculated to the first optional redemption date for the Series 2020 Bonds of November 15, 20__.

USE OF INFORMATION IN OFFICIAL STATEMENT

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"), this document constitutes an Official Statement of the Sports Authority with respect to the Series 2020 Bonds that has been deemed "final" by the Sports Authority as of its date except for the omission of no more than the information permitted by Rule 15c2-12.

No dealer, broker, salesman, or other person has been authorized by the Sports Authority or the Underwriters of the Series 2020 Bonds to give any information or to make any representation other than those contained in this Official Statement, including the Schedules and Appendices hereto, and, if given or made, such other information or representation must not be relied upon as having been authorized by the Sports Authority or the Underwriters of the Series 2020 Bonds. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2020 Bonds by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale. This Official Statement is submitted in connection with the sale of the Series 2020 Bonds and in no instance may this Official Statement be reproduced or used for any other purpose.

THIS OFFICIAL STATEMENT, INCLUDING THE SCHEDULES AND APPENDICES HERETO, IS INTENDED TO REFLECT FACTS AND CIRCUMSTANCES ON THE DATE OF THIS OFFICIAL STATEMENT OR ON SUCH OTHER DATE OR AT SUCH OTHER TIME AS IDENTIFIED HEREIN. NO ASSURANCE CAN BE GIVEN THAT SUCH INFORMATION WILL NOT BE MISLEADING AT A LATER DATE. CONSEQUENTLY, RELIANCE ON THIS OFFICIAL STATEMENT AT TIMES SUBSEQUENT TO THE ISSUANCE OF THE SERIES 2020 BONDS DESCRIBED HEREIN SHOULD NOT BE MADE ON THE ASSUMPTION THAT ANY SUCH FACTS OR CIRCUMSTANCES ARE UNCHANGED.

NONE OF THE SPORTS AUTHORITY, THE UNDERWRITERS OR THE FINANCIAL ADVISOR MAKE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT REGARDING THE DEPOSITORY TRUST COMPANY ("DTC") OR ITS BOOK-ENTRY-ONLY SYSTEM, AS SUCH INFORMATION WAS FURNISHED BY DTC. THE UNDERWRITERS OF THE SERIES 2020 BONDS HAVE PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT. THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, THEIR RESPECTIVE RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

THE PRICE AND OTHER TERMS RESPECTING THE OFFERING AND SALE OF THE SERIES 2020 BONDS MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS AFTER THE SERIES 2020 BONDS ARE RELEASED FOR SALE AND THE SERIES 2020 BONDS MAY BE OFFERED AND SOLD AT PRICES OTHER THAN THE INITIAL OFFERING PRICE, INCLUDING SALES TO DEALERS WHO MAY SELL SUCH SERIES 2020 BONDS INTO INVESTMENT ACCOUNTS. IN CONNECTION WITH THE OFFERING OF THE SERIES 2020 BONDS, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2020 BONDS AT A LEVEL ABOVE THOSE THAT MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

No registration statement relating to the Series 2020 Bonds has been filed with the United States Securities and Exchange Commission under the Securities Act of 1933, as amended, in reliance upon an exemption provided thereunder. The Series 2020 Bonds have not been registered or qualified under the Securities Act of the State of Texas in reliance upon various exemptions contained therein, nor have the Series 2020 Bonds been registered or qualified under the securities laws of any other jurisdiction. The Sports Authority assumes no responsibility for the registration or qualification for sale or other disposition of the Series 2020 Bonds under the securities laws of any jurisdiction in which the Series 2020 Bonds may be offered, sold or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Series 2020 Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions.

Assured Guaranty Municipal Corp. ("AGM") makes no representation regarding the Series 2020 Bonds or the advisability of investing in the Series 2020 Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "BOND INSURANCE" and "APPENDIX F — SPECIMEN OF BOND INSURANCE POLICY."

The Sports Authority has appointed UMB Bank, National Association, as the Trustee, Bond Registrar and Paying Agent under the Indenture. The obligations and duties of the Trustee are as described in the Indenture. The Trustee has not evaluated the risks, benefits or propriety of any investment in the Series 2020 Bonds, and makes no representation, and has reached no conclusions, regarding the validity of the Series 2020 Bonds, the security therefor, the adequacy of the provisions for payment thereof or the tax status of the interest on the Series 2020 Bonds. The Trustee has not participated in the preparation of this Official Statement and has no responsibility or liability therefor. The Trustee has relied upon the opinions of Co-Bond Counsel for the validity and tax status of the interest on the Series 2020 Bonds as well as with respect to the other matters set out in those opinions. Furthermore, the Trustee has no oversight responsibility, and is not accountable, for the use or application of the proceeds of the Series 2020 Bonds by the Sports Authority or for the use or application of any money paid over by the Trustee in accordance with the provisions of the Indenture.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE SERIES 2020 BONDS AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES AUTHORITY 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.

The statements contained in this Official Statement, and in other information provided by the Sports Authority, that are not purely historical, are forward-looking statements, including statements regarding the Sports Authority's expectations, hopes, intentions or strategies regarding the future. All forward-looking statements included in this Official Statement are based on information available to the Sports Authority on the date hereof, and the Sports Authority assumes no obligation to update any such forward-looking statements. See "INVESTMENT CONSIDERATIONS — Forward-Looking Statements."

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this final official statement for purposes of, and as that term is defined in, Rule 15c2-12.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION.....	1
INFECTIOUS DISEASE OUTBREAK - COVID-19.....	2
APPROVED VENUE PROJECTS.....	3
PURPOSE AND PLAN OF FINANCE	4
Background, Tender and Purpose	4
Bond Insurance and Debt Service Reserve Account Credit Facilities	5
Outstanding Bonds	5
Schedule 1 — Outstanding Bonds.....	6
Subordinate Obligations of the Sports Authority.....	6
Refunded Obligations	6
SOURCES AND USES OF FUNDS.....	8
DESCRIPTION OF THE SERIES 2020 BONDS.....	8
General	8
Payment, Transfers and Exchanges	8
Redemption	9
Notice of Redemption.....	11
Trustee	11
DESCRIPTION OF PLEDGED REVENUES	12
Hotel Occupancy Tax	12
Hotel Occupancy Tax Collection Contract.....	13
Contract for Collection of Delinquent Hotel Occupancy Taxes	13
Vehicle Rental Tax.....	13
Vehicle Rental Tax Collection Contract.....	14
Astros Payments	14
Current Status of Astros Payments	15
Agreements Relating to Minute Maid Park	15
Convention Industry and Hosting of Major Sporting Events	18
Schedule 2 — Historical Revenues	19
Schedule 3 — Top Ten HOT Taxpayers for Fiscal Year 2019.....	20
SECURITY FOR THE SERIES 2020 BONDS.....	20
Limited Obligations.....	20
Trust Estate.....	20
Flow of Funds for Revenues.....	22
Flow of Funds for Astros Payments	27
Revenue Recycling Account.....	30
National Insured Bonds Debt Service Reserve Account.....	31
Debt Repayment Account.....	32
Debt Service Reserve Requirements	33
Deficiencies in Interest and Principal Subaccounts.....	34
Additional Senior, Second and Junior Lien Bonds.....	37
Additional Third Lien Bonds.....	39
Default Provisions and Remedies.....	39
INVESTMENT CONSIDERATIONS	45
General	45
Forward-Looking Statements	45
Sufficiency of Revenues and Astros Payments.....	45
Bond Insurance.....	46
Ratings.....	47
Limited Obligations.....	47
Limitation and Enforceability of Remedies; Bankruptcy	48
Future and Proposed Legislation	49
Information Technology and Cybersecurity	49
Severe Weather Events.....	49
Exposure to Oil and Gas Industry.....	49
BOND INSURANCE	49
Bond Insurance Policy.....	50

Assured Guaranty Municipal Corp.....	50
DEBT SERVICE RESERVE ACCOUNT CREDIT FACILITIES.....	52
Senior Lien Debt Service Reserve Account Credit Facilities.....	52
Second Lien Debt Service Reserve Account Credit Facilities.....	52
Junior Lien Debt Service Reserve Account Credit Facilities.....	52
Third Lien Debt Service Reserve Account.....	53
PRO FORMA SPORTS AUTHORITY DEBT SERVICE SCHEDULE.....	54
DESCRIPTION OF SPORTS AUTHORITY OBLIGATIONS NOT SUPPORTED BY THE TRUST ESTATE.....	55
AUDITED FINANCIAL STATEMENTS.....	55
MANAGEMENT AND ORGANIZATION OF SPORTS AUTHORITY.....	55
Management and Organization.....	55
Budgeting and Operations.....	58
Schedule 4 — Sports Authority 2020 Budget.....	59
LITIGATION.....	59
INVESTMENT AUTHORITY AND INVESTMENT PRACTICES OF THE SPORTS AUTHORITY.....	60
Legal Investments.....	60
Investment Policies.....	61
LEGAL MATTERS.....	62
TAX MATTERS — TAX-EXEMPT BONDS.....	62
Tax Exemption.....	62
Tax Accounting Treatment of Discount and Premium on Certain Bonds.....	63
TAX MATTERS — TAXABLE BONDS.....	64
U.S. Holders Payments of Stated Interest on the Taxable Bonds.....	65
Original Issue Discount.....	65
Premium.....	65
Medicare Contribution Tax.....	65
Disposition of Taxable Bonds and Market Discount.....	65
Legal Defeasance.....	66
Backup Withholding.....	66
Reporting of Interest Payments.....	66
Non-U.S. Holders Effectively Connected Income.....	66
Withholding on Payments to Non-U.S. Holders.....	66
Disposition of the Taxable Bonds.....	67
Foreign Account Tax Compliance Act —U.S. Holders and Non-U.S. Holders.....	67
RATINGS.....	67
FINANCIAL ADVISOR.....	67
CONTINUING DISCLOSURE.....	67
Annual Reports.....	68
Event Notices.....	68
Limitations and Amendments.....	69
UNDERWRITING.....	69
VERIFICATION OF MATHEMATICAL ACCURACY.....	70
MISCELLANEOUS.....	70

SCHEDULE I	—	REFUNDED OBLIGATIONS
APPENDIX A	—	DEFINITIONS
APPENDIX B	—	AUDITED FINANCIAL STATEMENTS
APPENDIX C	—	EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE
APPENDIX D	—	EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES
APPENDIX E	—	FORMS OF CO-BOND COUNSEL OPINIONS
APPENDIX F	—	SPECIMEN OF BOND INSURANCE POLICY
APPENDIX G	—	BOOK-ENTRY ONLY SYSTEM

[THIS PAGE INTENTIONALLY LEFT BLANK]

OFFICIAL STATEMENT

\$100,000,000*

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

\$
Senior Lien Revenue
Refunding Bonds,
Series 2020A

\$
Taxable Senior Lien Revenue
Refunding Bonds,
Series 2020B

\$25,000,000*
Taxable Second Lien Revenue
Refunding Bonds,
Series 2020C

INTRODUCTION

This Official Statement, which includes the cover page hereof and the schedules and appendices attached hereto, is furnished in connection with (a) the "Invitation to Offer Bonds made by Harris County-Houston Sports Authority" dated September 8, 2020 (the "Tender Offer"), of the Harris County-Houston Sports Authority (the "Sports Authority"), a political subdivision of the State of Texas (the "State"), inviting owners of certain bonds of the Sports Authority described herein to tender such bonds for purchase by the Sports Authority, and (b) the offering for sale of the Sports Authority's Senior Lien Revenue Refunding Bonds, Series 2020A (the "Series 2020A Bonds"), Taxable Senior Lien Revenue Refunding Bonds, Series 2020B (the "Series 2020B Bonds") and Taxable Second Lien Revenue Refunding Bonds, Series 2020C, (the "Series 2020C Bonds," together with the Series 2020A Bonds and the Series 2020B Bonds, the "Series 2020 Bonds"). See "PURPOSE AND PLAN OF FINANCE – Background, Tender and Purpose - *Tender Offer*."

The Series 2020 Bonds will be issued pursuant to Chapters 334 and 335, Local Government Code, as amended (the "Enabling Act"), and Chapters 1207 and 1371, Texas Government Code, as amended, and an Indenture of Trust dated August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004 and December 1, 2014 (the "Master Indenture"), and as further amended and supplemented, particularly by the Twenty-Eighth Supplemental Indenture of Trust, dated as of October 1, 2020, the Twenty-Ninth Supplemental Indenture of Trust, dated as of October 1, 2020, the Thirtieth Supplemental Indenture of Trust, dated as of October 1, 2020 and the Thirty-First Supplemental Indenture of Trust, dated as of October 1, 2020 (as amended, the "Indenture"). Capitalized terms used but not defined herein shall have the meanings assigned to such terms in "APPENDIX A — DEFINITIONS," "APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE," and "APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES," as appropriate. Copies of the Indenture are available from the Sports Authority upon request and payment of reproduction costs.

The Sports Authority has previously issued, and there is currently outstanding, Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds, Third Lien Bonds and certain subordinate debt obligations to finance and refinance the venue projects described in "APPROVED VENUE PROJECTS." See "PURPOSE AND PLAN OF FINANCE — Outstanding Bonds" and "— Subordinate Obligations of the Sports Authority."

The Series 2020 Bonds are special limited obligations of the Sports Authority that, together with the outstanding Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds, and Third Lien Bonds and any Additional Bonds or additional Third Lien Bonds, if and when issued under the Indenture, are payable from and secured by a lien on the Trust Estate created under the Indenture. The Trust Estate includes all of the Sports Authority's right, title and interest in and to the Revenues, the Astros Payments, the Pledged Accounts, and certain other moneys and accounts, as more fully described herein. See "SECURITY FOR THE SERIES 2020 BONDS." The Revenues include all amounts received from time to time by the Sports Authority which are (i) receipts from a hotel occupancy tax (the "Hotel Occupancy Tax") imposed on, and equal to 2% of the cost of, all hotel room rentals in the City of Houston (the "City") and Harris County (the "County"); and (ii) receipts from a short-term motor vehicle rental tax (the "Vehicle Rental Tax") imposed on, and equal to 5% of, the gross rental receipts from short-term motor vehicle

* Preliminary, subject to change.

rentals in the City and County. The Astros Payments include certain lease payments and royalty payments to be paid to the Sports Authority by the Houston Astros Major League Baseball team, as more fully described herein. See "DESCRIPTION OF PLEDGED REVENUES" and "INVESTMENT CONSIDERATIONS – Sufficiency of Revenues and Astros Payments."

Pursuant to the terms of the Indenture, the pledge of the Astros Payments (including the application thereof) with respect to Tax-Exempt Bonds is limited to the Allowed Special Revenue Amount. Accordingly, Astros Payments may be applied to the payment of debt service on the Series 2020A Bonds, and any other series of Outstanding Bonds and Additional Bonds (to which Astros Payments are pledged) constituting Tax-Exempt Bonds, only to the extent of the Allowed Special Revenue Amount from time to time applicable to such Bonds. Astros Payments may be applied without limitation to the payment of debt service on the Series 2020B Bonds, the Series 2020C Bonds and any Additional Bonds (to which Astros Payments are pledged) constituting Taxable Bonds. The liens of the Indenture on Revenues and Astros Payments securing all Outstanding Second Lien Bonds, the Series 2020C Bonds and any Additional Second Lien Bonds, if and when issued, is junior and subordinate in all respects to the liens on Revenues and Astros Payments securing all Outstanding Senior Lien Bonds, the Series 2020A Bonds and Series 2020B Bonds and any Additional Senior Lien Bonds, if and when issued. See "SECURITY FOR THE SERIES 2020 BONDS — Flow of Funds for Astros Payments," "INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments — Sufficiency of Astros Payments," "DESCRIPTION OF PLEDGED REVENUES — Current Status of Astros Payments."

INFECTIOUS DISEASE OUTBREAK - COVID-19

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the "Pandemic") by the World Health Organization and is currently affecting many parts of the world, including the United States and Texas. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. Subsequently, the President's Coronavirus Guidelines for America and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States.

On March 13, 2020, the Governor of Texas (the "Governor") declared a state of disaster for all counties in Texas in response to the Pandemic. Pursuant to Chapter 418 of the Texas Government Code, the Governor has broad authority to respond to disasters, including suspending any regulatory statute prescribing the procedures for conducting state business or any order or rule of a state agency that would in any way prevent, hinder, or delay necessary action in coping with the disaster, and issuing executive orders that have the force and effect of law. The Governor has since issued a number of executive orders relating to COVID-19 preparedness and mitigation. These include executive orders which, among other things, impose limitations on business occupancy and social gatherings, impose a moratorium on elective surgeries in certain Texas counties and closed school districts throughout the state through the remainder of the 2019-20 school year. In addition to the actions by the state and federal officials, local officials have declared a local state of disaster. Many of the federal, state and local actions and policies under the aforementioned disaster declarations are focused on limiting instances where the public can congregate or interact with each other, which affects the operation of sports facilities. The Governor's Report to Open Texas, issued on April 27, 2020, and subsequent executive orders, instituted a gradual reopening of businesses on a staggered basis with adherence to specified health protocols. On June 26, 2020, due to substantial increases in COVID-19 positive cases, positivity rates and hospitalizations, the Governor issued adjustments to the re-opening plan, limited and slowing the gradual reopening plan, limiting and slowing the gradual reopening to reduce the growing spread of COVID-19. Further, on July 2, 2020, the Governor issued a new executive order requiring face coverings in certain counties and issued a proclamation related to limiting gathering sizes and requiring social distancing.

In addition to the actions by the state and federal officials, certain local officials, including Harris County Judge Lina Hidalgo have declared a local state of disaster and have issued "stay at home" orders. Many of the federal, state and local actions and policies under the aforementioned disaster declarations and "stay at home" orders are focused on limiting instances where the public can congregate or interact with each other, which affects the operation of businesses and directly impacts the economy. In the event of a conflict, the orders of the Governor relating to the Pandemic prevail over the stay at home orders issued by local authorities. The Pandemic has negatively affected travel, commerce, and financial markets globally, and is widely expected to continue negatively

affecting economic growth and financial markets worldwide. The United States State Department and other governmental and quasi-governmental authorities have issued sweeping travel restrictions and warnings that have had and will have a continuing and direct impact on business and leisure travel, both domestic and international. The shutdown of conferences and sporting events in Houston has resulted in reduced Hotel Occupancy Tax and Vehicle Rental Tax revenues pledged to pay the Sports Authority's outstanding bonds. It is unclear how long the Pandemic's negative impact on such revenues will continue, and the Sports Authority is issuing the Series 2020 Bonds to restructure its debt service in order to improve its capacity to continue its timely payment of debt service on its outstanding bonds during such period of decreased revenues and to manage its near term cash flow. See "PURPOSE AND PLAN OF FINANCE" and "INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments. See also "DESCRIPTION OF PLEDGED REVENUES — Current Status of Astros Payments."

The Sports Authority will continue to monitor the spread of COVID-19 and its related economic impacts and is working with its Board and consultants to assess the long-term impact of the Pandemic on the Sports Authority, which cannot be quantified at this time. See "INVESTMENT CONSIDERATIONS - Sufficiency of Revenues and Astros Payments" and "DESCRIPTION OF PLEDGED REVENUES — Current Status of Astros Payments," herein.

APPROVED VENUE PROJECTS

The Sports Authority was created by concurrent orders of the Commissioners Court of Harris County, Texas (the "County") and the City Council of the City of Houston, Texas (the "City"), effective September 1, 1997. The Sports Authority is a political subdivision of the State of Texas, organized as a sports and community venue district under the Enabling Act. The Sports Authority was created for the public purpose of planning, acquiring, establishing, developing, constructing or renovating one or more venue projects.

Prior to the enactment of the Enabling Act by the Texas Legislature in 1997, a County-wide referendum was held on November 5, 1996, in which the voters approved a proposition authorizing the County to establish and operate new or renovated stadiums, arenas and other facilities for professional baseball and football teams, provided that no real or personal property taxes of the County are spent to acquire, construct or equip these facilities. The Enabling Act authorized the Sports Authority to undertake the construction and financing of improvements authorized by such referendum and to levy the Hotel Occupancy Tax and Vehicle Rental Tax in the County and the City.

The Sports Authority previously issued the Series 1998 Ballpark Bonds, the Series 2001 Stadium Bonds, the Series 2001 Arena Bonds and certain subordinate debt obligations to finance the following Approved Venue Projects, respectively:

1. a retractable-roof Major League Baseball stadium (now named, "Minute Maid Park"), which opened for use by the Houston Astros Major League Baseball Team in March 2000;
2. a retractable-roof football stadium (now named, "NRG Stadium" or the "Stadium"), which opened in August 2002 for use by Houston NFL Holdings, L.P. d/b/a the Houston Texans (the "NFL Club") and the Houston Livestock Show and Rodeo, Inc. (the "Rodeo"), and many other organizations and events; and
3. a multi-purpose arena ("Toyota Center") and an adjacent garage (the "Garage" and, together with the Toyota Center and all other related infrastructure, the "Arena Project") for use by the Houston Rockets National Basketball Association Team (the "Rockets"). The Toyota Center and the Garage opened for use in October 2003.

In addition to the Approved Venue Projects described above, the Sports Authority, in conjunction with other public entities, developed a multi-purpose stadium ("BBVA Stadium") principally used by the Houston Dynamo Major League Soccer franchise for professional soccer. BBVA Stadium opened in May, 2012. The Sports Authority did not incur any debt with respect to the BBVA Stadium.

In addition to overseeing the bond debt service for the Approved Venue Projects, the Sports Authority also assists with sports marketing relating to such projects, in order to attract national and international sporting events to the region.

See “AUDITED FINANCIAL STATEMENTS” and “MANAGEMENT AND ORGANIZATION OF SPORTS AUTHORITY.”

PURPOSE AND PLAN OF FINANCE

Background, Tender and Purpose

Background. The decrease in travel and shutdown of conferences and sporting events in Houston as a result of the COVID-19 Pandemic has resulted in a significant decrease in Hotel Occupancy Tax revenues and Vehicle Rental Tax revenues pledged to the payment of the Sports Authority’s Outstanding Bonds. To proactively manage the decrease in such revenues resulting from the COVID-19 Pandemic, the Sports Authority is issuing the Series 2020 Bonds to restructure its debt service in order to improve its capacity to continue its timely payment of debt service on its outstanding bonds during such period of decreased revenues and to manage its near term cash flow. It is unclear how long the Pandemic’s negative impact on such revenues will continue. See “INFECTIOUS DISEASE OUTBREAK - COVID-19,” “INVESTMENT CONSIDERATIONS - Sufficiency of Revenues and Astros Payments” and “DESCRIPTION OF PLEDGED REVENUES — Current Status of Astros Payments.”

Simultaneously with the issuance of the Series 2020 Bonds, the Sports Authority is entering into the Thirty-First Supplemental Indenture of Trust, dated as of October 1, 2020 (the “Thirty-First Supplemental Indenture”). The changes to the Indenture flow of funds set forth in the Thirty-First Supplemental Indenture including the creation of the Revenue Recycling Account as part of the Indenture through June 15, 2024, changes to the Debt Repayment Account, and the temporary subordination of the General and Administrative Account in the Bond Year ending in 2032, are being made to assist the Sports Authority in dealing with the reduction in revenues as a result of COVID-19 and to facilitate the restructuring of its outstanding bonds. See APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES,” “SECURITY FOR THE SERIES 2020 BONDS — Flow of Funds for Revenues,” “— Revenue Recycling Account,” and “— “INFECTIOUS DISEASE OUTBREAK — COVID-19” and “INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments.”

The Sports Authority has previously issued multiple series of bonds to finance the development and construction of the Approved Venue Projects described in “APPROVED VENUE PROJECTS.” In respect to the Sports Authority’s outstanding Senior Lien, Second Lien, Junior Lien, and Third Lien Bonds and other subordinate debt obligations, all principal and interest payments due and owing to the holders have been timely made. For a description of certain currently outstanding debt obligations of the Sports Authority and the amount of such obligations that will be outstanding after the issuance of the Series 2020 Bonds, see “— Outstanding Bonds.”

Tender Offer. On September 8, 2020, the Sports Authority, with the assistance of Wells Fargo Securities, as dealer manager (the “Dealer Manager”), released its Tender Offer to holders of its Senior Lien Revenue Refunding Bonds, Series 2001A (Capital Appreciation Bonds) (CUSIPS: 413893CG1, 413893CL0 and 413893CM8); Senior Lien Revenue Refunding Bonds, Series 2014A (CUSIPS: 413890CV4, 413890CW2, and 413890CX0); and Second Lien Revenue Refunding Bonds, Series 2014C (CUSIPS: 413890DW1 and 413890DX9) (collectively, the “Subject Bonds”) pursuant to which the Sports Authority is offering to purchase such bonds for cash which the Sports Authority expects to fund from proceeds of the Series 2020A Bonds. As described in and pursuant to the Tender Offer, holders of the Subject Bonds may tender, and the Sports Authority may purchase, all or a portion of the Subject Bonds at purchase prices to be determined in accordance with the terms of the Tender Offer. Based on the outcome of the Tender Offer, some of the Subject Bonds may be purchased pursuant to the Tender Offer, some may be refunded as described below in “— Background, Tender and Purpose — Purpose,” and some may remain Outstanding.

Purpose. The proceeds of the Series 2020A Bonds, will be used to (i) refund certain interest payments with respect to certain outstanding bonds of the Sports Authority (the “Series 2020A Refunded Interest”) and refund certain outstanding bonds of the Sports Authority (the “Series 2020A Refunded Bonds,”) as more particularly described in “SCHEDULE I — Refunded Obligations”; (ii) purchase Subject Bonds tendered pursuant to the Tender Offer, if any; (iii) purchase a bond insurance policy and a reserve fund surety policy for the Series 2020A Bonds; and (iv) pay costs of issuance relating to the Series 2020A Bonds, the costs of refunding the Series 2020A Refunded Interest and Series 2020A Refunded Bonds and the costs of the Tender Offer. The proceeds of the Series 2020B Bonds, will be used to (i) refund certain interest payments with respect to certain outstanding bonds of the Sports Authority (the “Series 2020B Refunded Interest”) and refund certain outstanding bonds of the Sports Authority (the “Series 2020B Refunded Bonds”) as more particularly described in “SCHEDULE I — Refunded Obligations;” (ii)

purchase a bond insurance policy and a reserve fund surety policy for the Series 2020B Bonds, and (iii) pay costs of issuance relating to the Series 2020B Bonds, pay the costs of refunding the Series 2020B Refunded Interest and Series 2020B Refunded Bonds and the costs of the Tender Offer, if any. The proceeds of the Series 2020C Bonds will be used to (i) refund certain outstanding bonds of the Sports Authority (the "Series 2020C Refunded Bonds," as more particularly described in "SCHEDULE I — Refunded Obligations;" (ii) fund a debt service reserve fund for the Series 2020C Bonds, (iii) purchase a bond insurance policy for the Series 2020C Bonds, and (iv) pay costs of issuance relating to the Series 2020C Bonds and the costs of refunding the Series 2020C Refunded Bonds. See "PURPOSE AND PLAN OF FINANCE" and "SOURCES AND USES OF FUNDS."

Bond Insurance and Debt Service Reserve Account Credit Facilities

After giving effect to the delivery of the Series 2020 Bonds and the application of the proceeds thereof on the Date of Delivery, the scheduled payment of principal of and interest on the following series of Outstanding Bonds and Third Lien Bonds of the Sports Authority will continue to be guaranteed under separate insurance policies previously issued by MBIA (now known as National): the Series 2001A Bonds, Series 2001G Bonds, the Series 2001H Bonds and the Series 2004A-3 Bonds. See "SCHEDULE I — Refunded Obligations." AGM currently insures the Series 2014A Current Interest Bonds (2022 through 2027 maturities only), the Series 2014A Capital Appreciation Bonds and also the Series 2001A Bonds. As described in "BOND INSURANCE," the scheduled payment of principal of and interest on the Series 2020 Bonds when due will be guaranteed under separate bond insurance policies for each series to be issued concurrently with the delivery of such bonds by the 2020 Insurer and paid for from the proceeds of the respective series of Series 2020 Bonds. See "BOND INSURANCE," herein.

Upon the issuance of the Series 2020 Bonds, the Sports Authority will purchase with proceeds of the Series 2020A Bonds and the Series 2020B Bonds, Debt Service Reserve Account Credit Facilities from the 2020 Insurer to satisfy the respective Debt Service Reserve Requirements for the Series 2020A Bonds and Series 2020B Bonds. See "SECURITY FOR THE SERIES 2020 BONDS — Debt Service Reserve Requirements" and "DEBT SERVICE RESERVE ACCOUNT CREDIT FACILITIES."

National and AGM have agreed to certain provisions contained in the Indenture relating to the exercise of their respective rights under the terms of the Indenture. See "SECURITY FOR THE SERIES 2020 BONDS — Default Provisions and Remedies — *Credit Providers' Right to Direct Remedies.*"

Outstanding Bonds

The schedule below reflects the Sports Authority's Senior Lien, Second Lien, Junior Lien and Third Lien Bonds that are outstanding as of the date of this Official Statement. Such schedule excludes certain subordinate debt obligations that are secured by a lien on the Revenues, which lien is subordinate to the lien on the Revenues securing the bonds reflected in the schedule below. See "— Subordinate Obligations of the Sports Authority," below. Additional information regarding the Sports Authority's outstanding obligations may be obtained from the audited financial statements of the Sports Authority for the Fiscal Year ended December 31, 2019. See "APPENDIX B — AUDITED FINANCIAL STATEMENTS."

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Schedule 1 — Outstanding Bonds

	Obligations Currently Outstanding Prior to the Issuance of the Series 2020 Bonds ⁽¹⁾
<u>Senior Lien Bonds:</u>	
Series 2001A Bonds	\$149,951,417
Series 2001G Bonds	7,086,179
Series 2014A Bonds	446,541,020
<u>Second Lien Bonds:</u>	
Series 2014C Bonds	63,515,000
<u>Junior Lien Bonds:</u>	
Series 2001H Bonds	154,705,465
<u>Third Lien Bonds:</u>	
Series 2004A-3 Bonds	69,604,089
TOTAL	\$891,403,170

Totals may not add due to rounding.

⁽¹⁾ Represents the outstanding principal amount of the Sports Authority's Senior Lien, Second Lien, Junior Lien and Third Lien Bonds as of the Date of Delivery, prior to giving effect to the issuance of the Series 2020 Bonds and the refunding of the Refunded Obligations, and therefore includes the Refunded Obligations, and excludes the Series 2020 Bonds, and the subordinate debt obligations of the Sports Authority described in " — Subordinate Obligations of the Sports Authority." Amounts for Capital Appreciation Bonds are stated at Accreted Value as of the Date of Delivery.

Subordinate Obligations of the Sports Authority

As of the date hereof, the Sports Authority currently has outstanding the Subordinate Lien Note, Series 2001C-2 (the "Series 2001C-2 Note") which is secured by a lien on Hotel Occupancy Tax and Vehicle Rental Tax revenues that is subordinate to the lien thereon securing Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds and Third Lien Bonds. The Series 2001C-2 Note is a non-interest bearing note, in the aggregate principal amount of approximately \$5 million and was not issued pursuant to the Indenture or any other indenture, and is additionally secured by certain of the other lease payments and surcharge revenues attributable to the Approved Venue Projects. For additional information regarding such obligations, see "APPENDIX B — AUDITED FINANCIAL STATEMENTS." See also, "SECURITY FOR THE SERIES 2020 BONDS — Flow of Funds for Revenues" and "Debt Repayment Account" for a description of certain provisions of the Indenture relating to the use of moneys for the repayment of the Series 2001C-2 Note.

Refunded Obligations

Series 2020A Refunded Bonds and Series 2020A Refunded Interest. A portion of the proceeds of the Series 2020A Bonds, together with other available funds, if any, will be deposited with UMB Bank, National Association, as escrow agent (the "Escrow Agent"), pursuant to an escrow agreement (the "2020A Escrow Agreement"), to be entered into between the Sports Authority and the Escrow Agent, relating to the Series 2020A Refunded Bonds, in an amount sufficient to pay on their respective payment dates, redemption dates, or maturities, as applicable, the principal of and interest on the Series 2020A Refunded Bonds, as applicable in the amounts set forth in SCHEDULE I hereto. See "SCHEDULE I — REFUNDED OBLIGATIONS." Series 2020A Refunded Interest will be deposited to the Debt Service Accounts for the related bonds.

Series 2020B Refunded Bonds and Series 2020B Refunded Interest. A portion of the proceeds of the Series 2020B Bonds, together with other available funds, if any, will be deposited with the Escrow Agent, pursuant to an escrow agreement (the "2020B Escrow Agreement"), to be entered into between the Sports Authority and the

Escrow Agent, relating to the Series 2020B Refunded Bonds, in an amount sufficient to pay on the respective payment dates, redemption dates, or maturities, as applicable, the Series 2020B Refunded Interest, and the principal of and interest on the Series 2020B Refunded Bonds, as applicable in the amounts set forth in SCHEDULE I hereto. See "SCHEDULE I – REFUNDED OBLIGATIONS."

Series 2020C Refunded Bonds. A portion of the proceeds of the Series 2020C Bonds, together with other available funds, if any, will be deposited with the Escrow Agent, pursuant to an escrow agreement (the "2020C Escrow Agreement" and together with the Series 2020A Escrow Agreement and the 2020B Escrow Agreement, the "Escrow Agreements"), to be entered into between the Sports Authority and the Escrow Agent, relating to the Series 2020C Refunded Bonds, in an amount sufficient to pay on their respective payment dates, redemption dates, or maturities, as applicable, the principal of and interest on the Series 2020A Refunded Bonds, as applicable in the amounts set forth in SCHEDULE I hereto. See "SCHEDULE I – REFUNDED OBLIGATIONS."

The Series 2020A Refunded Bonds, the Series 2020A Refunded Interest, the Series 2020B Refunded Bonds, the Series 2020B Refunded Interest and the Series 2020C Refunded Bonds are collectively referred to herein as the "Refunded Obligations."

The Supplemental Indentures described herein provide that a portion of the proceeds of the sale of each series of the Series 2020 Bonds, together with other funds described therein, if any, will be deposited with the Escrow Agent in the amount necessary to accomplish the discharge and final payment of the Refunded Obligations. Such funds will be held by the Escrow Agent in special escrow accounts (the "Escrow Funds") for the respective Refunded Obligations, and used to purchase Governmental Obligations (the "Escrow Securities"). Each Escrow Fund is pledged to its respective Refunded Obligations.

Samuel Klein and Company, independent certified public accountants, in conjunction with Public Finance Partners LLC, (together, the "Verification Agent") will verify at the time of delivery of the Series 2020 Bonds that the Escrow Securities will mature and pay interest in such amounts and at such times which, together with uninvested funds in the Escrow Funds, if any, will be sufficient to pay, when due, the principal of and interest on the respective Refunded Obligations. Such maturing principal of and interest on the Escrow Securities will not be available to pay the Series 2020 Bonds. The Verification Agent will also verify the yields and certain other computations relied on by Co-Bond Counsel to support its opinion that interest on the Series 2020A Bonds will be excluded from gross income for federal income tax purposes. Such verifications will be based on information and assumptions supplied by the Sports Authority's Financial Advisor, and such verifications, information, and assumptions will be relied upon by Co-Bond Counsel in rendering its opinions relating to the Series 2020A Bonds described herein. See "VERIFICATION OF MATHEMATICAL ACCURACY."

In the opinion of Co-Bond Counsel, by making the deposit of the Escrow Securities and cash with the Escrow Agent pursuant to the respective Escrow Agreements, the Sports Authority will have made firm banking and financial arrangements for the discharge and final payment of the Refunded Obligations pursuant to State law. Thereafter, the Refunded Obligations will be deemed to be fully paid and no longer outstanding except for the purpose of being paid from the funds provided therefor in the Escrow Agreements.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

SOURCES AND USES OF FUNDS

The proceeds from the sale of the Series 2020 Bonds, together with certain other lawfully available funds of the Sports Authority, will be applied approximately as follows.

	<u>Series 2020A</u> <u>Bonds</u>	<u>Series 2020B</u> <u>Bonds</u>	<u>Series 2020C</u> <u>Bonds</u>	<u>Total</u>
<u>Sources of Funds:</u>				
Principal Amount				
Plus/Minus: Original Issue Premium/Discount				
Total Sources of Funds				
<u>Uses of Funds:</u>				
Purchase of Subject Bonds				
Deposit to Escrow Fund				
Deposit to Reserve Account				
Issuance Costs				
Total Uses of Funds				

DESCRIPTION OF THE SERIES 2020 BONDS

General

Interest on the Series 2020 Bonds will accrue from the Date of Delivery, and will be payable on each May 15 and November 15, commencing May 15, 2021 and will be calculated on the basis of a 360-day year of twelve 30-day months. The Series 2020 Bonds mature on the dates and in the principal amounts and will bear interest at the per annum rates shown on page i hereof.

The Series 2020 Bonds are initially issuable only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC"), pursuant to the book-entry only system described herein. The Series 2020 Bonds will initially be available for purchasers only in book-entry form, and such purchasers will not receive certificates representing their beneficial ownership therein. Beneficial ownership may be acquired in principal denominations of \$5,000, or any integral multiple thereof. Debt service payments on the Series 2020 Bonds will be payable by the Trustee to DTC, which will make distribution of the amounts so paid to the beneficial owners thereof. See "APPENDIX G — BOOK-ENTRY-ONLY SYSTEM."

Payment, Transfers and Exchanges

For as long as the Series 2020 Bonds are in book-entry form, payment of the principal of, premium, if any, and interest on such Series 2020 Bonds shall be made and given in accordance with DTC's operational arrangements. The principal or maturity amount of any Series 2020 Bond will be payable, on presentation and surrender of such Series 2020 Bond, in lawful money of the United States of America, without exchange or collection charges to the Registered Owner of such Series 2020 Bond, at the designated payment office of the Trustee for the Series 2020 Bonds. All interest accruing prior to maturity on any Series 2020 Bond shall be paid by check mailed to the Registered Owner of such Series 2020 Bond at its address as it appears on the registration books of the Trustee. If the Sports Authority shall be in default in payment of interest due on any interest payment date, a Special Record Date for the payment of such defaulted interest established by notice mailed by the Trustee on behalf of the Sports Authority; notice of such Special Record Date shall be mailed not less than 10 days preceding such Special Record Date, to the Owner at the close of business on the fifth Business Day preceding the date of mailing.

The Series 2020 Bonds shall be transferable only upon presentation and surrender thereof at the principal payment office of the Trustee, acting in its capacity as bond 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 Trustee. Upon due presentation of any Series 2020 Bonds for transfer, the Trustee shall authenticate and deliver in

exchange therefor, a new Series 2020 Bond or Series 2020 Bonds of the same series registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount, and bearing, accruing or accreting interest at the same rate as the Series 2020 Bond or the Series 2020 Bonds so presented and surrendered. The Trustee may require the Registered Owner of any Series 2020 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 Series 2020 Bond and any legal or unusual costs regarding transfers and exchanges of Bonds.

The Sports Authority, the Trustee, the 2020 Insurer and any other person may treat the person in whose name any Series 2020 Bond of any series is registered as the owner of such Series 2020 Obligation for the purpose of making payment of the principal and premium, if any, on such Series 2020 Obligation, and for the further purpose of receiving payment of principal of and premium, if any, and interest thereon, whether or not such Series 2020 Bond is overdue, for the purpose of giving notice to the holder of such Series 2020 Bond, and for all other purposes, and none of the Sports Authority, the 2020 Insurer or the Trustee shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the holder of any Series 2020 Bond in accordance with the Indenture shall be valid and effective and shall discharge the liability of the Sports Authority and the Trustee upon such Series 2020 Bond to the extent of the sums paid.

Redemption

Series 2020A Bonds.

Optional Redemption. The Series 2020A Bonds maturing on and after November 15, 20__ may be redeemed at the option of the Sports Authority prior to their stated maturities in whole or in part on or after November 15, 20__, at a redemption price equal to par plus accrued interest from the most recent interest payment date to the date of redemption.

Mandatory Sinking Fund Redemption. The Series 2020A Bonds maturing on November 15, 20__ are issued as term bonds subject to mandatory redemption on November 15, in the years and in the amounts set forth below, at a price of 100% of the principal amount to be redeemed plus accrued interest from the most recent interest payment date to the date of redemption, to be selected by lot or other customary method designated by the Trustee, subject to reduction by the amount of any prior redemption or purchase and cancellation as designated by the Sports Authority.

Series 2020A Bonds Maturing November 15, 20__	
Redemption Date (November 15)	Principal Amount
(final maturity)	\$

If Series 2020A Bonds are redeemed at the direction of the Sports Authority as described above in preceding paragraphs, or are purchased by the Sports Authority and delivered to the Trustee for cancellation, the Series 2020A Bonds so optionally redeemed or purchased may, at the option of the Sports Authority, be applied as a credit against any Mandatory Sinking Fund Payment with respect to such Series 2020A Bonds otherwise to be redeemed thereby, such credit to be equal to the principal amount of such Series 2020A Bonds redeemed, provided that the Sports Authority shall have delivered to the Trustee not less than 45 days prior to such redemption date written notice stating its election to apply such Series 2020A Bonds as such a credit. In such case, the Trustee shall reduce the amount of Series 2020A Bonds to be redeemed on the Mandatory Sinking Fund Payment Date specified in such Sports Authority notice by the principal amount of Series 2020A Bonds so redeemed. Any credit given to Mandatory Sinking Fund Payments shall not affect any other Mandatory Sinking Fund Payments, which shall remain payable as otherwise provided herein, unless and until another credit is given in accordance with the provisions hereof.

Series 2020B Bonds.

Optional Redemption. The Series 2020B Bonds maturing on and after November 15, 20__ may be redeemed at the option of the Sports Authority prior to their stated maturities in whole or in part on or after November 15, 20__, at a redemption price equal to par plus accrued interest from the most recent interest payment date to the date of redemption.

Mandatory Sinking Fund Redemption. The Series 2020B Bonds maturing on November 15, 20__ are issued as term bonds subject to mandatory redemption on November 15, in the years and in the amounts set forth below, at a price of 100% of the principal amount to be redeemed plus accrued interest from the most recent interest payment date to the date of redemption, to be selected by lot or other customary method designated by the Trustee, subject to reduction by the amount of any prior redemption or purchase and cancellation as designated by the Sports Authority.

Series 2020B Bonds Maturing November 15, 20__	
Redemption Date (November 15)	Principal Amount
(final maturity)	\$

If Series 2020B Bonds are redeemed at the direction of the Sports Authority as described above in preceding paragraphs, or are purchased by the Sports Authority and delivered to the Trustee for cancellation, the Series 2020B Bonds so optionally redeemed or purchased may, at the option of the Sports Authority, be applied as a credit against any Mandatory Sinking Fund Payment with respect to such Series 2020B Bonds otherwise to be redeemed thereby, such credit to be equal to the principal amount of such Series 2020B Bonds redeemed, provided that the Sports Authority shall have delivered to the Trustee not less than 45 days prior to such redemption date written notice stating its election to apply such Series 2020B Bonds as such a credit. In such case, the Trustee shall reduce the amount of Series 2020B Bonds to be redeemed on the Mandatory Sinking Fund Payment Date specified in such Sports Authority notice by the principal amount of Series 2020B Bonds so redeemed. Any credit given to Mandatory Sinking Fund Payments shall not affect any other Mandatory Sinking Fund Payments, which shall remain payable as otherwise provided herein, unless and until another credit is given in accordance with the provisions hereof.

Series 2020C Bonds.

Optional Redemption. The Series 2020C Bonds maturing on and after November 15, 20__ may be redeemed at the option of the Sports Authority prior to their stated maturities in whole or in part on or after November 15, 20__, at a redemption price equal to par plus accrued interest from the most recent interest payment date to the date of redemption.

Mandatory Sinking Fund Redemption. The Series 2020C Bonds maturing on November 15, 20__ are issued as term bonds subject to mandatory redemption on November 15, in the years and in the amounts set forth below, at a price of 100% of the principal amount to be redeemed plus accrued interest from the most recent interest payment date to the date of redemption, to be selected by lot or other customary method designated by the Trustee, subject to reduction by the amount of any prior redemption or purchase and cancellation as designated by the Sports Authority.

Series 2020C Bonds Maturing
November 15, 20

Redemption Date
(November 15)

Principal Amount
\$

(final maturity)

If Series 2020C Bonds are redeemed at the direction of the Sports Authority as described above in preceding paragraphs, or are purchased by the Sports Authority and delivered to the Trustee for cancellation, the Series 2020C Bonds so optionally redeemed or purchased may, at the option of the Sports Authority, be applied as a credit against any Mandatory Sinking Fund Payment with respect to such Series 2020C Bonds otherwise to be redeemed thereby, such credit to be equal to the principal amount of such Series 2020C Bonds redeemed, provided that the Sports Authority shall have delivered to the Trustee not less than 45 days prior to such redemption date written notice stating its election to apply such Series 2020C Bonds as such a credit. In such case, the Trustee shall reduce the amount of Series 2020C Bonds to be redeemed on the Mandatory Sinking Fund Payment Date specified in such Sports Authority notice by the principal amount of Series 2020C Bonds so redeemed. Any credit given to Mandatory Sinking Fund Payments shall not affect any other Mandatory Sinking Fund Payments, which shall remain payable as otherwise provided herein, unless and until another credit is given in accordance with the provisions hereof.

Notice of Redemption

In the case of Series 2020 Bonds called for redemption and payment prior to their stated maturities, notice shall be given in writing by the Trustee by first class mail, postage prepaid to Owners of such Bonds to be redeemed, mailed not less than 30 days prior to the redemption date. See "APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE" and "APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES."

Trustee

As described in "PURPOSE AND PLAN OF FINANCE — Background, Tender and Purpose," UMB Bank, National Association, N.A. currently serves as Trustee and as Bond Registrar and Paying Agent under the Indenture. In case the Trustee shall resign or be removed, or be dissolved or shall be in course of dissolution or liquidation, or otherwise become incapable of acting under the Indenture, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Board of the Sports Authority or, if the Sports Authority fails to appoint a successor within 90 days of the occurrence of any of the foregoing events, by the Owners of a majority in aggregate principal amount of the then Outstanding Bonds, by an instrument or concurrent instruments in writing signed by such Owners, or by their attorney-in-fact, duly authorized. Nevertheless, in case of such vacancy the Sports Authority by resolution of its Board may appoint a temporary trustee to fill such vacancy until a successor trustee shall be appointed by the Sports Authority or the Owners in the name above provided; and any such temporary trustee so appointed by the Sports Authority shall immediately and without further act be superseded by the Trustee so appointed by such Owners. Every such Trustee appointed pursuant to the provisions of the Indenture shall be a trust company or bank having trust powers and having a reported capital and surplus not less than \$25,000,000, if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms. Every such Trustee appointed pursuant to the provisions of the Indenture shall be approved in writing by each Designated Credit Provider. In case at any time the Trustee shall resign and no appointment of a successor Trustee shall be made within 60 days following such resignation, the retiring Trustee, at the expense of the Sports Authority, may forthwith apply to a court of competent jurisdiction for the appointment of a successor Trustee. Such court may thereupon, after such notice, if any, as it may deem proper, appoint a successor Trustee. The foregoing provisions of the Indenture apply equally to the Paying Agent.

Notwithstanding the foregoing or any other provision of the Indenture, at the written direction of the Owners of a majority in aggregate principal amount of the outstanding Junior Lien Bonds, or of the Credit Provider acting therefor in accordance with the terms of the Indenture described in "SECURITY FOR THE SERIES 2020 BONDS — Default Provisions and Remedies — Credit Providers' Right to Direct Remedies" (the "Directing Party"), the Sports Authority and the Trustee are required under the Indenture to appoint, subject to the terms of the

Indenture, as a separate replacement Trustee with respect to the Accounts and Subaccounts of the Indenture described in the paragraphs C through M of "SECURITY FOR THE SERIES 2020 BONDS — Flow of Funds for Revenues" (the "Relevant Funds and Accounts") an institution meeting the requirements for a successor Trustee specified in the Indenture and described in the immediately preceding paragraph (the "Separate Trustee"), which Separate Trustee (i) shall have the rights, powers, trusts, duties and obligations by the Indenture conferred upon the Trustee with respect to the custody, control and management of the Relevant Funds and Accounts; (ii) shall have the authority to pursue on behalf of the Owners of the Junior Lien Bonds, subject to the terms of the Indenture described in paragraph (d) under "SECURITY FOR THE SERIES 2020 BONDS — Default Provisions and Remedies — Credit Providers' Right to Direct Remedies," such remedies as are specified in Article Ten of the Master Indenture (as described in "SECURITY FOR THE SERIES 2020 BONDS — Default Provisions and Remedies — Remedies"), including, without limitation, a mandamus action to cause the Sports Authority to impose, collect and transfer the pledged revenues; (iii) may be removed, with or without cause, at the direction of the Directing Party and be replaced, subject to the terms of the Indenture, with an institution meeting the requirements for a successor Trustee specified in the Indenture, and (iv) shall have such other powers and duties, if any, as may be specified in a Supplemental Indenture adopted at the time of such appointment. In the event the Sports Authority or the Trustee shall not have joined in the appointment of a Separate Trustee within 90 days after receipt by it of the direction of the Directing Party in accordance with the terms of the Indenture as described in this paragraph, the Directing Party will have the right to effect such appointment. The Trustee shall cooperate in promptly effectuating the foregoing, including the transfer of the Relevant Funds and Accounts to the Separate Trustee.

DESCRIPTION OF PLEDGED REVENUES

The Series 2020 Bonds are special limited obligations of the Sports Authority that, together with the outstanding Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds and Third Lien Bonds and any Additional Bonds or additional Third Lien Bonds, if and when issued under the Indenture, are payable from and secured by a lien on the Trust Estate created under the Indenture. The Trust Estate includes all of the Sports Authority's right, title and interest in and to the Revenues, the Astros Payments, the Pledged Accounts, and certain other moneys and accounts, as more fully described herein. The Revenues include all amounts received from time to time by the Sports Authority or the Trustee from the Hotel Occupancy Tax and the Vehicle Rental Tax (see the definition of "Revenues" in "APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE"). **The liens of the Indenture on Revenues and Astros Payments securing all Outstanding Second Lien Bonds, the Series 2020C Bonds and any Additional Second Lien Bonds, if and when issued, are junior and subordinate in all respects to the liens on Revenues and Astros Payments securing all Outstanding Senior Lien Bonds, the Series 2020A Bonds, the Series 2020B Bonds, and any Additional Senior Lien Bonds, if and when issued.** The Astros Payments include all amounts received from time to time by the Sports Authority or the Trustee from certain lease payments and royalty payments to be paid to the Sports Authority by the Astros pursuant to the Ballpark Lease and the Ballpark License Agreement, respectively, only through Fiscal Year 2029 (see the definition of "Astros Payments" in "APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE"). See "SECURITY FOR THE SERIES 2020 BONDS" and "— Current Status of Astros Payments," below.

Hotel Occupancy Tax

Pursuant to the provisions of the Enabling Act, the Sports Authority is authorized to impose the Hotel Occupancy Tax on persons who under a lease, concession, permit, right of access, license, contract or agreement, pay for the use or possession of a hotel room within the combined boundaries of the City and the County that costs \$2.00 or more each day and is ordinarily used for sleeping. The Hotel Occupancy Tax equals 2% of the consideration paid to the hotel for the right to use or possess the room. Other provisions of the Texas Tax Code authorize the State, cities and counties meeting certain specified qualifications to impose similar hotel occupancy taxes for other purposes, and such taxes are not pledged to the payment of the Series 2020 Bonds. Under the Enabling Act, "hotel" means any building or buildings in which the public may, for consideration, obtain sleeping accommodations. The term includes hotels, motels, tourist homes, tourist houses, tourist courts, bed and breakfasts, lodging houses, inns, rooming houses, or other buildings where rooms are furnished for a consideration, but does not include hospitals, sanitariums, certain housing facilities owned or leased and operated by an institution of higher education or nursing homes. "Hotel" also includes a short-term rental, which is the rental of all or a part of a residential property to a person who is not a permanent resident. The consideration paid for the room, for purposes of the Enabling Act, includes the cost of the room only if the room is one ordinarily used for sleeping, and does not include the cost of any food served or personal services rendered to the occupant of such room not related to the

cleaning and readying of such room for occupancy. To be subject to the Hotel Occupancy Tax, the occupant's use, possession or right to the use or possession of the sleeping room must be for a period of less than 30 consecutive days.

In addition to the Sports Authority's 2% Hotel Occupancy Tax, the Houston market hotels are subject to a 15% occupancy tax on all short-term (30 days or less) room rentals costing \$2.00 or more per day. The combined 17% occupancy tax is composed of the following: (1) a 6% State sales tax, (2) a 2% County occupancy tax, (3) a 7% City occupancy tax, and (4) the 2% Hotel Occupancy Tax.

On January 28, 2020, Harris County and the Sports Authority executed an agreement with AirBnB, Inc. to facilitate the reporting, collection and remittance of applicable hotel taxes on behalf of certain hosts for booking transactions completed by such hosts and guests on the AirBnB platform. The agreement was effective March 1, 2020.

The Sports Authority's receipts derived from the levy of the Hotel Occupancy Tax constitute a portion of the Trust Estate and are pledged to the payment of the Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds and Third Lien Bonds, so long as any such Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds or Third Lien Bonds remain outstanding. See "INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments" and "INFECTIOUS DISEASE OUTBREAK - COVID-19."

Hotel Occupancy Tax Collection Contract

The Sports Authority has contracted with the County to obtain the services of the Tax Assessor-Collector of Harris County, Texas as assessor and collector of the Hotel Occupancy Tax for the Sports Authority. Such contract automatically renews on an annual basis, commencing on January 1 and ending on December 31 of each year, unless either party provides notice of its intent to terminate such contract by October 1 of any year. The Sports Authority has agreed to compensate the County for the collection of the Hotel Occupancy Tax in an amount equal to one-half of 1% of all Hotel Occupancy Taxes collected on behalf of the Sports Authority, not to exceed \$50,000 in any calendar year (the "County's Collection Fee"). Hotels and other eligible vendors of sleeping accommodations are required to collect the Hotel Occupancy Tax at the time room charges are received from patrons and remit such taxes to the Tax Assessor-Collector of the County. The total Hotel Occupancy Tax collections, less the County's Collection Fee, are required to be paid over to the Sports Authority as soon as practicable after receipt. The Tax Assessor-Collector of the County has agreed to prepare quarterly reports of collection activity for the Sports Authority. See "INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments" and "INFECTIOUS DISEASE OUTBREAK - COVID-19."

Contract for Collection of Delinquent Hotel Occupancy Taxes

The Sports Authority has contracted with the County, on behalf of the Office of Harris County Attorney (the "County Attorney"), for the County Attorney to institute collection efforts, including bringing suits on behalf of the Sports Authority, against persons who are delinquent in the payment of Hotel Occupancy Taxes owed to the Sports Authority. Such contract automatically renews on an annual basis, commencing on January 1 and ending on December 31 of each year, unless either party provides notice of its intent to terminate such contract by December 1 of any year. The County Attorney also performs collection services for hotel occupancy taxes and other amounts owed to the County. In consideration for the services performed by the County Attorney, the Sports Authority has agreed to pay the County a contingent fee equal to 20% of the amount collected by the County Attorney, plus fifty percent of the expenses incurred by the County Attorney.

Vehicle Rental Tax

Pursuant to the Enabling Act, the Sports Authority is authorized to impose the Vehicle Rental Tax on the rental in the City or County of a motor vehicle designed principally to transport persons or property on a public roadway where such rental is not longer than 30 days. The Vehicle Rental Tax is equal to 5% of the gross rental receipts from the rental of a motor vehicle in the City or County. Under the Enabling Act, "motor vehicle" means a self-propelled vehicle designed principally to transport persons or property on a public roadway and includes a passenger car, van, station wagon, sports utility vehicle and truck. The term "motor vehicle" does not include a trailer, semi-trailer, house trailer, truck having a manufacturer's rating of more than one-half ton or road building machine; a device moved only by human power; a device used exclusively on stationery rails; farm machinery; or a mobile office. For the purposes of the Enabling Act, "rental" means an agreement by the owner of a motor vehicle

to authorize for not longer than 30 days the exclusive use of that vehicle to another for consideration. Auto rental establishments are required to collect the Vehicle Rental Tax at the time the owner of the motor vehicle receives a rental payment.

The State of Texas presently imposes a statewide 10% Vehicle Rental Tax on all short-term motor vehicle rentals (30 days or less) and a 6.25% Vehicle Rental Tax on long-term rentals (above 30 days but below 180 days).

The Sports Authority's receipts derived from the levy of the Vehicle Rental Tax constitute a portion of the Trust Estate and are pledged to the payment of the Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds and Third Lien Bonds, so long as any such Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds or Third Lien Bonds remain outstanding. See "INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments — Sufficiency of Revenues" and "INFECTIOUS DISEASE OUTBREAK - COVID-19."

Vehicle Rental Tax Collection Contract

The Sports Authority has contracted with the Office of Texas Comptroller of Public Accounts (the "Comptroller") to provide services to the Sports Authority as the collector of the Vehicle Rental Tax. Such contract automatically renews on an annual basis, commencing on January 1 and ending on December 31 of each year, unless either party provides notice of its intent to terminate such contract by October 1 of any year. In the contract with the Comptroller, the Sports Authority has agreed to reimburse the Comptroller in an amount not to exceed \$50,000 annually (the "Comptroller Collection Charges") for actual costs associated with such collection services in accordance with instructions received from the Comptroller, and the Comptroller is authorized to withhold any such amounts from the amount of Vehicle Rental Tax proceeds collected by the Comptroller. To date, the Comptroller has not required the payment of the Comptroller Collection Charges.

The Comptroller collects the statewide Vehicle Rental Tax on behalf of the State of Texas. Prior to October 1, 1997, collection of Vehicle Rental Taxes by the Comptroller had not been segregated by counties or cities. As a result, the Comptroller has developed information systems to collect the Vehicle Rental Tax on behalf of the Sports Authority and certain other counties and cities.

On or before the last day of each month, the owners of vehicles which are subject to the Vehicle Rental Tax are required to report and send to the Comptroller the taxes collected on behalf of the Sports Authority for the preceding month. Pursuant to the agreement between the Sports Authority and the Comptroller, the Comptroller is required to send tax returns to taxpayers no later than the tenth day of the month in which the Vehicle Rental Tax is due. Taxes collected by the Comptroller are to be remitted to the Sports Authority by the tenth day of each month following the month in which the taxes are actually collected by the Comptroller.

Astros Payments

The Astros Payments include certain lease payments (the "Base Rent") and royalty payments (the "Royalty Payments") received by the Sports Authority from the Astros pursuant to the Ballpark Lease and the Ballpark License Agreement, respectively. See "Agreements Relating to Minute Maid Park" and the definition of "Astros Payments" in APPENDIX C hereto. Pursuant to the Ballpark Lease and the Ballpark License Agreement, as more fully described below, the Astros currently are required to pay to the Sports Authority \$4,400,000 per year as Base Rent and \$1,200,000 per year of Royalty Payments, payable in equal installments each April 1 and October 1 through October 1, 2029. The Astros Payments are only pledged to the Trust Estate through Fiscal Year 2029 in the maximum amount of \$4,600,000 per year (which consists of the \$1,200,000 Royalty Payment and \$3,400,000 of the Base Rent payment). Beginning April 1, 2030 through the current term of the Ballpark Lease of March 31, 2050, the Astros have agreed to pay Base Rent in the amount of \$5,400,000 per year and \$1,200,000 as Royalty Payments. Such payments beginning April 1, 2030 are not pledged to the Trust Estate. (See below "— Agreements Relating to Minute Maid Park — Ballpark Lease" for a description of the amount of the rent that must be deposited in the Asset Renewal and Replacement Fund.) In certain circumstances, such agreements with the Astros may be terminated by the Astros, and the Astros' payment obligations may be reduced in the event and to the extent the Sports Authority imposes certain future taxes related to Minute Maid Park. As described in "— Agreements Relating to Minute Maid Park — Ballpark Lease" and "— Ballpark License Agreement," below, the Astros may request a credit against Base Rent and Royalty Payments pursuant to the Ballpark Lease and the Ballpark License Agreement due to certain circumstances where baseball games are prohibited from being played at Minute Maid Park. See "— Current Status of Astros Payments" for the Astros request for such credits against Base Rent and Royalty Payments. **For a description of certain limitations with respect to the pledge and application of Astros Payments in respect of Tax-Exempt Bonds (which includes the Series 2020A Bonds), see "SECURITY FOR THE SERIES 2020**

BONDS — Trust Estate.” See also, “Agreements Relating to Minute Maid Park,” “SECURITY FOR THE SERIES 2020 BONDS,” “INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments — *Sufficiency of Astros Payments*,” and “INFECTIOUS DISEASE OUTBREAK - COVID-19.”

Current Status of Astros Payments

In a March 26, 2020 letter to the Sports Authority, the Astros requested Rent and Royalty Credits (defined below) for four Astros Games scheduled to be played at Minute Maid Park and any other future cancelled home games. The Astros allege that they are due Rent and Royalty Credits because the baseball season has been reduced by 53 games as a result of governmental orders issued due to the Pandemic. The Sports Authority is currently evaluating whether the Astros are entitled to such Rent and Royalty Credits. The Sports Authority anticipates that if baseball home games in future baseball seasons are reduced the Astros will request additional Rent and Royalty Credits.

Agreements Relating to Minute Maid Park

Effective June 17, 1998, the Sports Authority entered into various agreements with the Astros which embody the obligation of the Astros to lease Minute Maid Park for a term of 30 years, commencing in March 2000 (the “Original Astros Agreement”). Effective April 1, 2018, the Sports Authority entered into the First Omnibus Amendment of the Minute Maid Park Principal Project Documents (the “Omnibus Amendment”) extending the term of the Baseball Lease, Baseball License Agreement and Ballpark Non-Relocation Agreement to March 31, 2050, subject to early termination by the Astros effective March 31, 2035, in certain instances described in “— Ballpark Lease,” below. The following is a summary of the major points of certain of the Ballpark Lease, the Ballpark License Agreement and the Ballpark Non-Relocation Agreement, each as amended. The original counterparty under each of the Ballpark Lease, the Ballpark License Agreement and the Ballpark Non-Relocation Agreement entered into by the Sports Authority was Houston McLane Company, Inc. (d/b/a Houston Astros Baseball Club), which was subsequently converted into a Texas limited liability company and renamed Houston McLane Company, LLC. In November 2011, HBP Team Holdings, LLC, an entity controlled by James R. Crane, purchased all membership interests in Houston McLane Company, LLC and changed its name to Houston Astros, LLC. Accordingly, the current counterparty under each of the Ballpark Lease, the Ballpark License Agreement and the Ballpark Non-Relocation Agreement is Houston Astros, LLC (the “Astros”). None of the Ballpark Lease, the Ballpark License Agreement or the Ballpark Non-Relocation Agreement were amended in connection with such transaction, and the Sports Authority acknowledged that such transaction was a permitted transfer under the terms of the Ballpark Lease. Copies of the principal documents entered into in connection with the financing, development, use and occupancy of Minute Maid Park, including the documents described below, are available from the Sports Authority upon request and payment of reproduction costs.

Ballpark Lease. The stadium lease for Minute Maid Park (the “Ballpark Lease”) originally had a primary term of 30 years that commenced on March 30, 2000 following the date of partial substantial completion of Minute Maid Park. The Omnibus Amendment provides for a 20 year extension of the lease term to March 31, 2050, subject to early termination by the Astros effective March 31, 2035, in certain instances described in this section below. The Astros also have the option (provided no uncured default exists) to extend the term of the Ballpark Lease for up to two consecutive periods of five years each. Rental payments during each renewal period will be negotiated between the parties at the time the Astros exercise each renewal option.

The Base Rent currently to be paid by the Astros under the Ballpark Lease is \$4,400,000 per year. (See “Ballpark License Agreement” below regarding the Astros obligation to pay an additional \$1,200,000 per year to the Sports Authority as Royalty Payments.) In addition, the Astros are obligated through October 1, 2029 to deposit annually the sum of \$3,250,000 (\$750,000 shall come directly from the \$4,400,000 Base Rent described above) into an Asset Renewal and Replacement Fund (the “ARR Fund”) to ensure that sufficient dollars are available for the Astros to perform all capital repairs at Minute Maid Park. In addition on April 1, 2030 until the expiration of the Ballpark Lease, the Base Rent will increase to \$5,400,000, provided, \$5,300,000 of Base Rent along with an additional \$2,500,000 and also the \$1,200,000 Royalty Payment is to be deposited to the ARR Fund to satisfy the full ARR requirement of \$9,000,000. As described above in “—Astros Payments,” the Astros Payments are only pledged to the Trust Estate through Fiscal Year 2029 in the maximum amount of \$4,600,000 per year. The ARR Fund is pledged to the Sports Authority to secure any amounts due as a result a default by the Astros under the Ballpark Lease or any of the other development documents, but the ARR Fund is not pledged to, or otherwise available to pay debt service on, any Senior Lien, Second Lien, Junior Lien or Third Lien Bonds, including the

Series 2020 Bonds. The Astros' obligation to perform capital repairs is not limited to the amounts on deposit in the ARR Fund.

The Astros are obligated to pay all expenses in connection with the maintenance, use, repair and occupancy of Minute Maid Park necessary to keep and maintain Minute Maid Park in a first-class condition, reasonably consistent with other comparable facilities, subject to certain limited exclusions that are described below.

The Sports Authority is responsible for 50% of any capital repair expenses in excess of \$25,000,000 (adjusted for changes in the consumer price index) incurred as a result of a catastrophic failure of any part of the foundation or structure of Minute Maid Park that is not covered by insurance.

The Astros may temporarily cease paying Base Rent and Royalty Payments during the lease term of the Ballpark Lease if, as a result of a condemnation action, (i) Minute Maid Park is not in compliance with Major League Baseball rules and regulations, (ii) the use of Minute Maid Park is not permitted by applicable laws or (iii) 35 percent or more of the manifested seating area (the official count of spectator seats) is restricted or unusable. In addition, the Astros may temporarily cease paying rent during the term of the Ballpark Lease in the event the use or the occupancy of Minute Maid Park for baseball games is prohibited by a governmental rule enacted by the Sports Authority, the City or the County. In all the above instances, the abatement of Base Rent is equal to \$42,000 for each baseball home game not played at Minute Maid Park and the abatement of the Royalty Payment is equal to \$14,800 for each baseball game not played at Minute Maid Park (collectively, a "Rent and Royalty Credit"). See "— Current Status of Astros Payments" for the Astros request for such credits against Base Rent and Royalty Payments. As described in "INFECTIOUS DISEASE OUTBREAK - COVID-19" herein, due to the Pandemic governmental authorities have imposed certain limitations on social gatherings including sporting events. See "INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments — *Sufficiency of Astros Payments*," and "INFECTIOUS DISEASE OUTBREAK - COVID-19."

Provided the Astros are not in default under the Ballpark Lease, the Ballpark License Agreement or the Ballpark Non-Relocation Agreement, the Astros are entitled to a credit against rent (including any deposits to the ARR Fund) in the event and to the extent the Sports Authority institutes for Minute Maid Park an admissions tax, a parking tax, a facility use tax or any other tax that is not of general applicability in the jurisdiction of the Sports Authority. To date, the Sports Authority has not imposed any such taxes. A sales tax imposed by the Sports Authority throughout its jurisdiction would not entitle the Astros to an abatement of rent. In the event this right of offset is not sufficient to fully credit the Astros for the amount of any such taxes paid by the Astros, the Astros may submit an invoice to the Sports Authority for payment of an amount equal to the excess.

The Astros are permitted to assign their rights under the Ballpark Lease only in connection with a transfer of the Astros baseball franchise and an assumption by the transferee of responsibility for the performance of all obligations of the Astros under the Ballpark Lease, the Ballpark License Agreement, and the Ballpark Non-Relocation Agreement. No transfer of the Ballpark Lease will release the Astros from liability under the Ballpark Lease or any other agreement unless the transferee (or, in certain instances, any controlling person of the transferee) (i) has not been subject to bankruptcy proceedings or criminal proceedings during the previous seven years, (ii) has a debt to equity ratio of not greater than 3.25 to 2.0 after giving effect to the transfer, (iii) has a financial net worth after giving effect to the transfer of not less than \$50,000,000 (as adjusted by the consumer price index) and (iv) is approved by Major League Baseball. In addition, the Sports Authority has the right to approve any transfer of a controlling equity interest in the Astros if the controlling person of the proposed transferee has been subject to bankruptcy proceedings or felony criminal proceedings during the previous seven years.

The Astros have the right to terminate the Ballpark Lease in the event (i) substantially all of the improvements are damaged or destroyed by casualty during the final three (3) years of the term or (ii) any portion of Minute Maid Park shall be damaged or destroyed by casualty which creates an untenable condition and the then applicable governmental rules prohibit the resolution of Minute Maid Park under any circumstances so as to eliminate such untenable condition. Additionally, the Ballpark Lease and all other project documents automatically terminate if title to all or substantially all of the improvements are taken in any condemnation action other than for a temporary use or occupancy that is for one (1) year or less in the aggregate. Disputes between the parties under the Ballpark Lease will be resolved pursuant to alternative dispute resolution procedures such as mediation and arbitration.

Under the Omnibus Amendment, the Sports Authority is obligated to use commercially reasonable efforts to increase the vehicle rental tax and hotel occupancy tax, to issue debt secured by such increases and to provide

one-third (1/3) of the net proceeds from such debt to the Astros to be used for capital repairs and improvements at Minute Maid Park. Additionally, the Sports Authority must use commercially reasonable efforts to issue debt secured by existing vehicle rental tax and hotel occupancy tax and to provide one-third (1/3) of the net proceeds from such debt to the Astros to be used for capital repairs and improvements to Minute Maid Park. The Astros have the option to terminate the Ballpark Lease, the Ballpark License Agreement and the Ballpark Non-Relocation Agreement effective March 31, 2035, if additional funding is not secured by either of the avenues described above by December 31, 2030.

Ballpark License Agreement. The license agreement between the Astros and the Sports Authority (the "Ballpark License Agreement") has the same term and option for renewal as the Ballpark Lease. Pursuant to the Ballpark License Agreement, the Astros are granted the exclusive right to any naming rights, advertising rights, broadcast rights and telecommunications rights pertaining to Minute Maid Park. The annual royalty ("Royalty Payments") to be paid by the Astros under the Ballpark License Agreement is \$1,200,000. Beginning April 1, 2030, the Royalty Payment is to be deposited into the AAR Fund. The Astros' offset rights with regard to rentals under the Ballpark Lease concerning certain condemnation and governmental rules also apply to the Royalty Payments due under the Ballpark License Agreement. Such credits against Royalty Payments equal to \$14,800 for each baseball game not played at Minute Maid Park under certain circumstances described in the Ballpark License Agreement. See "— Ballpark Lease" and "— Current Status of Astros Payments for the Astros request for such credits against Base Rent and Royalty Payments," above.

Additionally, the Royalty Payments may be reduced in the event the Sports Authority imposes future taxes which permit a credit against the rentals payable under the Ballpark Lease. The rights and obligations of the Astros under the Ballpark License Agreement may be transferred only in accordance with the terms and provisions set forth in the Ballpark Lease. Disputes between the parties under the Ballpark License Agreement will be resolved pursuant to alternative dispute resolution procedures such as mediation and arbitration.

Ballpark Non-Relocation Agreement. Pursuant to a non-relocation agreement (the "Ballpark Non-Relocation Agreement") entered into between the Sports Authority and the Astros, during the term of the Ballpark Lease, the Astros must play all of their baseball home games in Minute Maid Park, subject to certain limited exceptions. In the event Minute Maid Park becomes unsuitable for the playing of baseball games (as a result of a condition permitting the Astros to abate rent under the Ballpark Lease or as a result of casualty, condemnation or force majeure), the Astros are permitted to play their baseball home games at alternative locations so long as the Astros use commercially reasonable and diligent efforts to cure the condition causing Minute Maid Park to be unsuitable for baseball games. Additionally, the Astros are prohibited from relocating outside the boundaries of the City and the County. The Astros may sell the Astros baseball franchise in accordance with the applicable rules and regulations of Major League Baseball and the terms of the Ballpark Lease.

In the event the Astros default under their obligations under the Ballpark Non-Relocation Agreement, the Sports Authority may enforce the terms of the Ballpark Non-Relocation Agreement through declaratory or injunctive relief, including a suit for specific performance. In addition, in the event the Astros violate the covenant not to relocate, the Sports Authority is entitled to recover liquidated damages from the Astros in an amount currently equal to \$100,000,000 increasing to \$150,000,000 on July 1, 2023. Disputes between the parties under the Ballpark Non-Relocation Agreement will be resolved pursuant to alternative dispute resolution procedures such as mediation and arbitration.

Major League Baseball Letter. In a letter to the Sports Authority dated June 15, 1998 (the "Previous MLB Letter"), Major League Baseball and The National League of Professional Baseball Clubs (the "National League Entity") acknowledge the existence and terms of the Ballpark Non-Relocation Agreement obligation of the Astros to remain in Houston for at least 30 years. Subsequent to the delivery of such letter, the National League Entity and The American League of Professional Baseball Clubs (the "American League Entity") were dissolved and their functions were assumed by the Office of the Commissioner of Baseball (d/b/a Major League Baseball). In connection with the change in ownership of the Astros (see "DESCRIPTION OF PLEDGED REVENUES — Agreements Relating to Minute Maid Park"), the Sports Authority obtained a letter dated November 22, 2011, in which Major League Baseball confirmed that the Previous MLB Letter remains in effect with respect to Major League Baseball itself and as successor to the National League Entity and the American League Entity, as if the American League Entity had signed the Previous MLB Letter.

Convention Industry and Hosting of Major Sporting Events

Houston is the largest city in Texas and the fourth largest in the nation. The 2020 population of the current metro area of Houston is 6,371,000. Harris County is the third largest county in the U.S. with a population of 4,713,325. In 2019, the Port of Houston ranked first in foreign tonnage and second in total tonnage among ports in the United States. Leading industries include energy, engineering, construction, real estate, aerospace, medicine and health care, transportation, and technology and biotechnology. In addition to these industries, the County, City and region are home to numerous cultural, performing and visual arts facilities, including the "Theater District" located in the City's central business district, which includes Jones Hall, Wortham Theater System, Alley Theatre and the Hobby Center for the Performing Arts, among other venues. Beyond these venues, there are a number of other facilities, pavilions, arenas, and stadiums (including the Approved Venue Projects) that host cultural and other events.

The Sports Authority actively promotes the use of its Approved Venue Projects for various regional and national events. The development and multi-use management of the Approved Venue Projects and BBVA Stadium have assisted in making the Houston region a destination for various events. Between these venues, there is an average of 1300 events per year with approximately 10 million attendees. Over the past ten years, major events include the National Basketball Association (NBA) All-Star Game, National Football League (NFL) Super Bowl, 2011 and 2016 National Collegiate Athletics Association (NCAA) Men's Final Four Championship, 2014 USA Track and Field National Championships, 2015 NCAA Men's Basketball Regional, 2016 Amateur Athletic Union Junior Olympics, 2018 NCAA DII Women's Golf Championships and 2019 NCAA DIII Women's Golf Championships. To support these events, the Houston region has more than 80,000 hotel rooms with approximately 8,000 located in the Houston downtown area. "INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments" and "INFECTIOUS DISEASE OUTBREAK - COVID-19."

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Schedule 2 — Historical Revenues

The following schedule reflects the historical receipts by the Sports Authority of the Hotel Occupancy Tax and the Vehicle Rental Tax for fiscal years 1998 through 2019. Such table was prepared using the cash basis of accounting, and, therefore, such schedule reflects the amounts that were received by the Sports Authority for the periods shown. The information contained in the schedule below was obtained from the financial records of the Sports Authority.

	Hotel Occupancy Tax Receipts	Annual Increase (Decrease)	Vehicle Rental Tax Receipts	Annual Increase (Decrease)	Total Revenues	Annual Increase (Decrease)
1998	\$12,301,859	-	\$15,835,350	-	\$28,137,209	-
1999	12,918,660	5.01%	15,775,458	(0.38)%	28,694,118	1.98%
2000	13,787,433	6.72%	17,128,676	8.58%	30,916,109	7.74%
2001	14,384,583	4.33%	18,163,444	6.04%	32,548,027	5.28%
2002	13,998,929	(2.68)%	16,523,488	(9.03)%	30,522,417	(6.22)%
2003	13,298,502	(5.00)%	15,627,173	(5.42)%	28,925,675	(5.23)%
2004	14,566,636	9.54%	16,149,831	3.34%	30,716,466	6.19%
2005	15,482,474	6.29%	17,536,627	8.59%	33,019,102	7.50%
2006	18,794,023	21.39%	19,513,016	11.27%	38,307,038	16.01%
2007	20,466,630	8.90%	21,501,970	10.19%	41,968,601	9.56%
2008	22,360,519	9.25%	22,015,379	2.39%	44,375,898	5.74%
2009	18,835,763	(15.76)%	20,356,747	(7.53)%	39,192,510	(11.68)%
2010	19,049,707	1.14%	19,711,862	(3.17)%	38,761,569	(1.10)%
2011	21,366,171	12.16%	20,831,559	5.68%	42,197,730	8.86%
2012	24,319,959	13.82%	22,668,361	8.82%	46,988,320	11.35%
2013	28,052,566	15.35%	24,656,156	8.77%	52,708,722	12.17%
2014	31,246,373	11.39%	26,584,694	7.82%	57,831,067	9.72%
2015	30,588,046	(2.11)%	26,457,483	(0.48)%	57,045,529	(1.36)%
2016	28,449,564	(6.99)%	25,442,425	(3.84)%	53,891,989	(5.53)%
2017	30,247,661	6.32%	25,080,015	(1.42)%	55,327,676	2.66%
2018	33,988,706	12.37%	25,903,579	3.28%	59,892,285	8.25%
2019	32,412,164	(4.64)%	26,681,675	3.00%	59,093,839	(1.33)%

Receipts of the Hotel Occupancy Tax and the Vehicle Rental Tax for the period of January 1, 2020 through July 31, 2020 on a cash basis were \$14,973,252 and \$10,055,938, respectively, for total Revenues of \$25,029,190, as adjusted, for such period. (See the following paragraph for adjustments made to the Vehicle Rental Tax receipts for 2020 due to certain overpayments.) Receipts of the Hotel Occupancy Tax and Vehicle Rental Tax for the period of January 1, 2019 through July 31, 2019 on a cash basis were \$19,834,681 and \$14,426,152, respectively for total Revenues of \$34,260,833. Hotel Occupancy Tax receipts for 2020 over the same period for 2019 decreased by 24.51%. Vehicle Rental Tax receipts for 2020 over the same period for 2019 decreased by 30.29%. For purposes of meeting the requirements of the Additional Bonds Test in connection with the issuance of the Series 2020 Bonds, the Sports Authority expects to use Revenues for the period June 1, 2019 through May 30, 2020. See "INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments," and "INFECTIOUS DISEASE OUTBREAK - COVID-19."

Motor vehicle rental taxpayers may make prepayments based on the Vehicle Rental Tax they paid for the same report period the prior year. The downturn in tourism caused by the Pandemic has had a major impact on the rental car market. Certain car rental companies overpaid in April, May and June 2020 and were entitled to refunds. The overpayment credits totaled \$1,623,719.71. The Sports Authority has adjusted the reported Vehicle Rental Tax collections described herein to remove the impact of total overpayments and reflect the amounts each month that should have been received if no overpayments had occurred.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Schedule 3 — Top Ten HOT Taxpayers for Fiscal Year 2019

<u>Name</u>	<u>Total Collections⁽¹⁾</u>
Houston Marriott Marquis	\$1,174,486
Hilton Americas Houston	1,080,113
Hyatt Regency Houston	694,491
Four Seasons Hotel	498,069
Houston Airport Marriott	448,522
Westin Galleria Houston	433,376
The Post Oak Hotel	399,913
Marriott Galleria	396,890
Marriott Houston Westchase	370,347
Marriott Houston Medical Center	<u>367,505</u>
	\$5,863,712

For Fiscal Year 2019, the top ten taxpayers represent approximately 18% of Hotel Occupancy Tax receipts of the Sports Authority. See “Schedule 2 — Historical Revenues,” above.

Source: Office of the Harris County Tax Assessor Collector

⁽¹⁾ Due to COVID-19 collections have materially declined in 2020. See “INFECTIOUS DISEASE OUTBREAK - COVID-19.”

SECURITY FOR THE SERIES 2020 BONDS

Limited Obligations

The Series 2020 Bonds are special limited obligations of the Sports Authority that, together with the outstanding Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds and Third Lien Bonds and any Additional Senior Lien Bonds, Additional Second Lien Bonds, Additional Junior Lien Bonds and Additional Third Lien Bonds, if and when issued under the Indenture, are payable from and secured by a lien on the Trust Estate created under the Indenture, as described below. The Series 2020A and Series 2020B Bonds are being issued as Senior Lien Bonds pursuant to the Indenture. The Series 2020C Bonds are being issued as Second Lien Bonds pursuant to the Indenture. The liens of the Indenture on Revenues and Astros Payments securing all Outstanding Second Lien Bonds, the Series 2020C Bonds and any Additional Second Lien Bonds, if and when issued, is junior and subordinate in all respects to the liens on Revenues and Astros Payments securing all Outstanding Senior Lien Bonds, the Series 2020A Bonds, the Series 2020B Bonds, and any Additional Senior Lien Bonds, if and when issued. The liens of the Indenture on Revenues and Astros Payments securing the Outstanding Junior Lien Bonds and any Additional Junior Lien Bonds, if and when issued, are junior and subordinate in all respects to the liens on Revenues and Astros Payments securing all Senior Lien Bonds (including the Series 2020A Bonds and the Series 2020B Bonds) and Second Lien Bonds (including the Series 2020C Bonds). The liens of the Indenture on Revenues securing the outstanding Third Lien Bonds or additional Third Lien Bonds, if and when issued, are junior and subordinate in all respects to the liens on Revenues securing all Senior Lien Bonds (including the Series 2020A Bonds and the Series 2020B Bonds), Second Lien Bonds (including the Series 2020C Bonds) and Junior Lien Bonds. See “Additional Senior, Second, Junior and Third Lien Bonds,” below. See “— Current Status of Astros Payments,” below and “INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros.”

Trust Estate

The Trust Estate includes all of the Sports Authority’s right, title and interest, now owned or hereafter acquired, in and to the Revenues, the Astros Payments, the moneys deposited or required to be deposited in, and investments held in, the Pledged Accounts, certain other accounts and subaccounts and certain third party credit agreements. The Revenues include all amounts received from time to time by the Sports Authority or the Trustee from the Sports Authority’s Hotel Occupancy Tax and Vehicle Rental Tax, as more fully described herein. The Astros Payments include certain lease payments and royalty payments to be paid to the Sports Authority by the Astros, as more fully described herein. See “DESCRIPTION OF PLEDGED REVENUES.” The Astros Payments (subject to the limitations described below) will be pledged to secure the payment of the Series 2020 Bonds and all Outstanding Bonds, which does not include Third Lien Bonds (with the Astros Payments being subject to the

priority for the application thereof for Senior Lien Bonds, Second Lien Bonds and Junior Lien Bonds, as set forth in the Indenture). The Astros Payments are only pledged to the Trust Estate through Fiscal Year 2029 in the maximum amount of \$4,600,000 per year. See “— Current Status of Astros Payments,” “INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros,” and “INVESTMENT CONSIDERATIONS — Limited Obligations.”

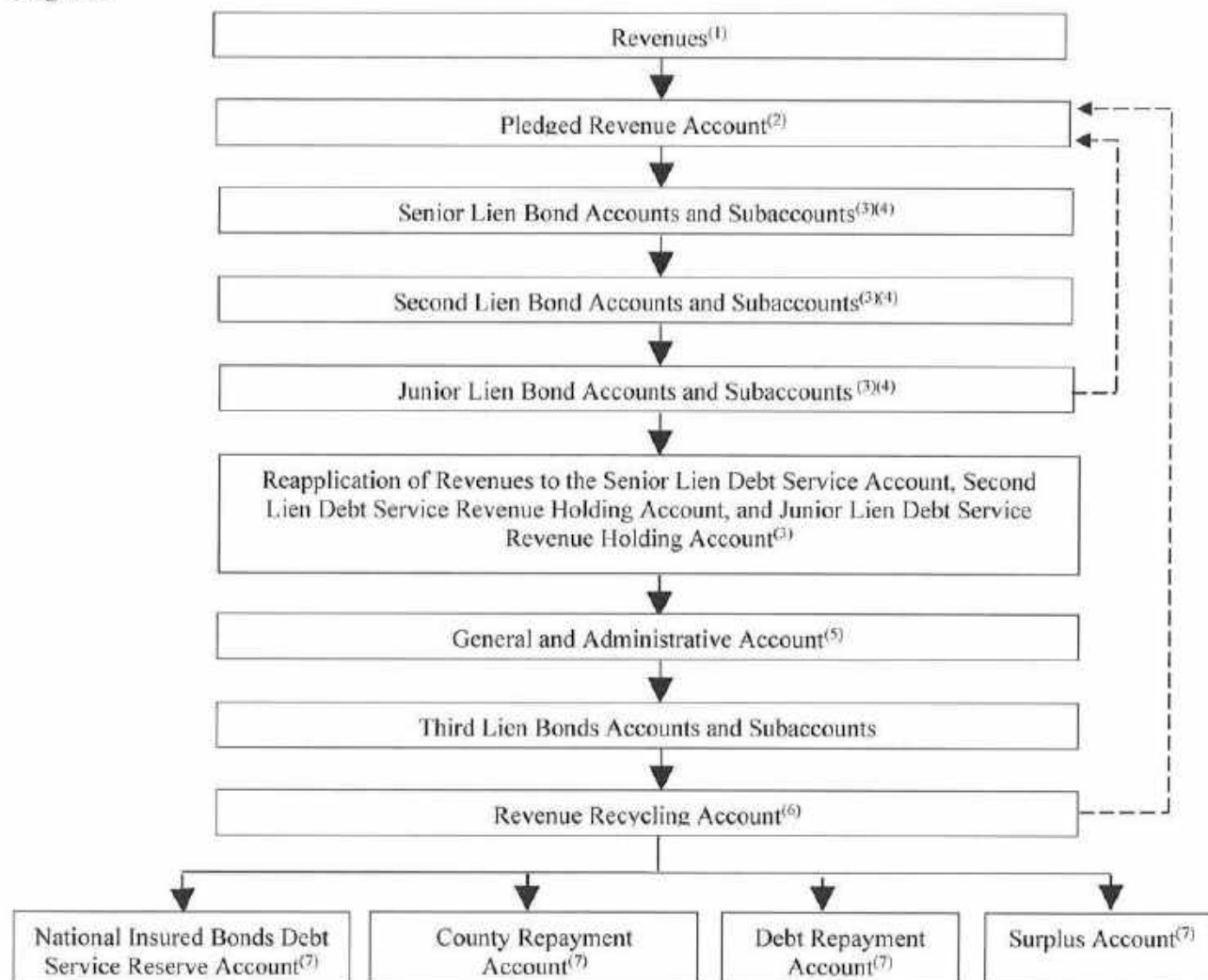
Pursuant to the terms of the Indenture, the pledge of the Astros Payments (including the application thereof) with respect to Tax-Exempt Bonds is limited to the Allowed Special Revenue Amount. Accordingly, Astros Payments may be applied to the payment of debt service on the Series 2020A Bonds, and any other series of Outstanding Bonds and Additional Bonds (to which Astros Payments are pledged) constituting Tax-Exempt Bonds, only to the extent of the Allowed Special Revenue Amount from time to time applicable to such Bonds. Astros Payments may be applied without limitation to the payment of debt service on the Series 2020B Bonds, the Series 2020C Bonds and any Additional Bonds (to which Astros Payments are pledged) constituting Taxable Bonds. See “— Current Status of Astros Payments,” “— Flow of Funds for Astros Payments” and “INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments — *Sufficiency of Astros Payments*.” Pursuant to the terms of the Master Indenture, the Astros Payments may be pledged to secure the payment of any Additional Bonds, if such pledge is provided therefor in the Supplemental Indenture authorizing the issuance of such Additional Bonds, and Astros Payments are included in Pro Forma Available Revenues for the purposes of issuing certain Additional Bonds. See “— Additional Senior, Second and Junior Lien Bonds.”

The Pledged Accounts include the Senior Lien Debt Service Account and the Senior Lien Debt Service Reserve Account (both with respect to Senior Lien Bonds), the Second Lien Debt Service Account and the Second Lien Debt Service Reserve Account (both with respect to Second Lien Bonds), the Junior Lien Debt Service Account and the Junior Lien Debt Service Reserve Account (both with respect to Junior Lien Bonds), the Pledged Revenue Account, the Second Lien Debt Service Revenue Holding Account (with respect to Second Lien Bonds), the Junior Lien Debt Service Holding Account (with respect to the Junior Lien Bonds), the Costs of Issuance Account, the Construction Account (to the extent not required for Costs of an Authorized Venue Project), and any other Account hereafter so designated. The Trust Estate also includes certain other accounts, as set out in APPENDICES C and D. The accounts and funds established in the Trust Estate and pledged to the Senior Lien Bonds, Second Lien Bonds and Junior Lien Bonds are not pledged to the Third Lien Bonds. The Sports Authority’s obligation to make transfers of the Revenues and Astros Payments to the credit of the various Pledged Accounts is summarized below under “— Flow of Funds for Revenues” and “— Flow of Funds for Astros Payments,” respectively. See also, “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE” and “APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES.”

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Flow of Funds for Revenues

Diagram. Set forth below is a diagram summarizing the application of Revenues, and the priority therefor, under the terms of the Indenture as amended by the Thirty-First Supplemental Indenture. Such diagram does not purport to be comprehensive or definitive and is qualified in its entirety by reference to the Indenture. See “— Flow of Funds for Revenues — *Flow of Funds*,” “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE” and “APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES — *Thirty-First Supplemental Indenture*.” For a diagram summarizing the application of Astros Payments under the terms of the Indenture, see “— Flow of Funds for Astros Payments — *Diagram*.”



(1) Revenues include the receipts from the Hotel Occupancy Tax and the Vehicle Rental Tax.

(2) Revenues are applied on a monthly basis from the Pledged Revenue Account after the application of any Astros Payments from the Astros Payment Subaccount. See “Flow of Funds for Astros Payments.” Subject to the terms of the Indenture, upon the deposit of Astros Payments to certain Accounts, Revenues will be immediately released from certain Accounts and deposited into the Pledged Revenue Account. See “— Flow of Funds for Astros Payments” and “— Current Status of Astros Payments.”

(3) Revenues in respect of debt service due on Senior Lien Bonds are deposited into each Senior Lien Interest Subaccount and Senior Lien Principal Subaccount. Revenues in respect of debt service due on Second Lien Bonds and Junior Lien Bonds are deposited into the Second Lien Debt Service Revenue Holding Account and the Junior Lien Debt Service Revenue Holding Account, respectively.

(4) Revenues to be deposited in respect of debt service due on Senior Lien Bonds, Second Lien Bonds and Junior Lien Bonds are in an amount equal to one-twelfth of all debt service due in any Bond Year, plus any Cumulative Payment Deficit. Includes any amounts required to be deposited into the Debt Service Reserve Accounts.

- (5) See “– Flow of Funds for Revenues – *Flow of Funds*” clause G. See “APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES — *Thirty-First Supplemental Indenture*.”
- (6) See “– Flow of Funds For Revenues — *Flow of Funds*” for a description of the amount of Revenues to be deposited into the Revenue Recycling Account. Amounts on deposit in the Revenue Recycling Account will be recycled through the Flow of Funds monthly through June 15, 2024. On June 15, 2024, all amounts in the Revenue Recycling Account shall be applied as described in “– Revenue Recycling Account,” below and shall terminate and have no effect on or after June 15, 2024, and thereafter be deleted from the Indenture. See “APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES — *Thirty-First Supplemental Indenture*.”
- (7) See “– Flow of Funds For Revenues — *Flow of Funds*” for a description of the amount of Revenues to be deposited into each of the National Insured Bonds Debt Service Reserve Account, County Repayment Account, Debt Repayment Account and Surplus Account.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Flow of Funds. The Revenues will be deposited by the Trustee promptly as received into the Pledged Revenue Account and will be transferred once per month (on or before the tenth day thereof) to the other Accounts and Subaccounts in the amounts and in the order of priority as set forth below.

A. To the Accounts and Subaccounts for the benefit of the Senior Lien Bonds, as follows:

1. To each Senior Lien Interest Subaccount, an amount equal to 1/12th of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year (whether or not any such Interest Payment Period ends within such current Bond Year) with respect to the applicable Senior Lien Bonds, plus, for any month, the Cumulative Payment Deficit, until the full amount of such interest has been accumulated for the current Bond Year, subject to credits for capitalized interest and certain other deposits.
2. To each Senior Lien Principal Subaccount, an amount equal to 1/12th of the principal due on the next succeeding November 15 on the applicable Senior Lien Bonds, whether by stated maturity or pursuant to Mandatory Sinking Fund Requirements, plus, for any month, the Cumulative Payment Deficit, until the full amount of such principal has been accumulated for the current Bond Year, subject to credits for certain other deposits.
3. To each other Subaccount within the Senior Lien Debt Service Account, the Rebate Account for Senior Lien Bonds, and the Senior Lien Debt Service Reserve Account (and each Subaccount therein, if any), in the amounts and in the priority as set forth in the Indenture. For a detailed description of such transfers, see "APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE."

B. To the Accounts and Subaccounts for the benefit of the Second Lien Bonds, as follows:

1. To the Second Lien Debt Service Revenue Holding Account, an amount equal to 1/12th of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year (whether or not any such Interest Payment Period ends within such current Bond Year) with respect to all Second Lien Bonds, plus, for any month, the Cumulative Payment Deficit, until the full amount of such interest has been accumulated in the Second Lien Interest Subaccounts for the current Bond Year, subject to credits for capitalized interest and certain other deposits.
2. To the Second Lien Debt Service Revenue Holding Account, an amount equal to 1/12th of the principal due on the next succeeding November 15 on all Second Lien Bonds, whether by stated maturity or pursuant to Mandatory Sinking Fund Requirements, plus, for any month, the Cumulative Payment Deficit, until the full amount of such principal has been accumulated in the Second Lien Principal Subaccounts for the current Bond Year, subject to credits for certain other deposits.

Amounts in the Second Lien Debt Service Revenue Holding Account will be applied (i) first, on the date of monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, to each Senior Lien Debt Service Subaccount an amount equal to any deficiency in the balance held in such Senior Lien Debt Service Subaccount for the payments of principal of and interest on the related Senior Lien Bonds due on the next May 15 or November 15, (ii) second, on the date of monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, to each Second Lien Debt Service Subaccount an amount equal to any deficiency in the balance held in such Second Lien Debt Service Subaccount for the payments of principal of and interest on the related Second Lien Bonds due on the next May 15 or November 15, and (iii) as further provided in the Indenture. For a detailed description of such transfers, see "APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE."

3. To each other Subaccount within the Second Lien Debt Service Account, the Rebate Account for Second Lien Bonds, and the Second Lien Debt Service Reserve Account (and each Subaccount therein, if any), in the amounts and in the priority as set forth in the Indenture. For a detailed description of such transfers, see "APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE."

C. To the Accounts and Subaccounts for the benefit of the Junior Lien Bonds, as follows:

1. To the Junior Lien Debt Service Revenue Holding Account, an amount equal to 1/12th of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year (whether or not any such Interest Payment Period ends within such current Bond Year) with respect to all Junior Lien Bonds, plus, for any month, the Cumulative Payment Deficit, until the full amount of such interest has been accumulated in the Junior Lien Interest Subaccounts for the current Bond Year, subject to credits for capitalized interest and certain other deposits.
2. To the Junior Lien Debt Service Revenue Holding Account, an amount equal to 1/12th of the principal due on the next succeeding November 15 on all Junior Lien Bonds, whether by stated maturity or pursuant to Mandatory Sinking Fund Requirements, plus, for any month, the Cumulative Payment Deficit, until the full amount of such principal has been accumulated in the Junior Lien Principal Subaccounts for the current Bond Year, subject to credits for certain other deposits.

Amounts in the Junior Lien Debt Service Revenue Holding Account will be applied (i) first, on the date of monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, to each Senior Lien Debt Service Subaccount an amount equal to any deficiency in the balance held in such Senior Lien Debt Service Subaccount for the payments of principal of and interest on the related Senior Lien Bonds due on the next May 15 or November 15, (ii) second, on the date of monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, to each Second Lien Debt Service Subaccount an amount equal to any deficiency in the balance held in such Second Lien Debt Service Subaccount for the payments of principal of and interest on the related Second Lien Bonds due on the next May 15 or November 15, (iii) third, on the date of monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, to each Junior Lien Debt Service Subaccount an amount equal to any deficiency in the balance held in such Junior Lien Debt Service Subaccount for the payments of principal of and interest on the related Junior Lien Bonds due on the next May 15 or November 15, and (iv) as further provided, and in the priority set forth, in the Indenture. For a detailed description of such transfers, see "APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE."

3. To each other Subaccount within the Junior Lien Debt Service Account, the Rebate Account for Junior Lien Bonds, and the Junior Lien Debt Service Reserve Account (and each Subaccount therein, if any), in the amounts and in the priority as set forth in the Indenture. For a detailed description of such transfers, see "APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE."
- D. To the Rebate Account, at the written direction of the Sports Authority, to the extent of any deficiency.
- E. After satisfying each of the preceding requirements, all remaining Revenues shall be reapplied (i) first, to each Subaccount of the Senior Lien Debt Service Account until there has been deposited to such Subaccounts for all Senior Lien Bonds the Adjusted Debt Service Requirement through the earlier of the next May 15 or November 15 for the current Bond Year, (ii) second, to the Second Lien Debt Service Revenue Holding Account for the credit of each Subaccount of the Second Lien Debt Service Account until there has been deposited to such Subaccounts for all Second Lien Bonds the Adjusted Debt Service Requirement through the earlier of the next May 15 or November 15 for the current Bond Year, and (iii) third, to the Junior Lien Debt Service Revenue Holding Account for the credit of each Subaccount of the Junior Lien Debt Service Account until there has been deposited to such Subaccounts for all Junior Lien Bonds the Adjusted Debt Service Requirement through the earlier of the next May 15 or November 15 for the current Bond Year.
- F. After satisfying each of the preceding requirements, all remaining Revenues shall be reapplied (i) first, to each Subaccount of the Senior Lien Debt Service Account until there has been deposited to such Subaccounts for all Senior Lien Bonds the Adjusted Debt Service Requirement through the next succeeding November 15 for the current Bond Year, (ii) second, to the Second Lien Debt Service Revenue Holding Account for the credit of each Subaccount of the Second Lien Debt Service Account until there has been deposited to such Subaccounts for all Second Lien Bonds the Adjusted Debt Service Requirement through the next succeeding November 15 for the current Bond Year, and (iii) third, to the Junior Lien Debt Service

Revenue Holding Account for the credit of each Subaccount of the Junior Lien Debt Service Account until there has been deposited to such Subaccounts for all Junior Lien Bonds the Adjusted Debt Service Requirement through the next succeeding November 15 for the current Bond Year.

- G. Quarterly in advance commencing on December 1 of each year (with the first quarterly distribution on June 1, 2001), to the General and Administrative Account in an amount equal to one-quarter of the Annual Budgeted General and Administrative Amount in each Bond Year until equal to the Annual Budgeted General and Administrative Amount, or monthly to the extent of any shortfall in such payments; provided that if the Series 2004 Bonds maturing in the year 2032 are then Outstanding Bonds, for the Bond Year ending in 2032, Revenues must be deposited to any Third Lien Bonds Subaccount or other debt service account established with respect to any Third Lien Bond as provided in Subsection (a)(29) of this Section to pay principal, interest, and other amounts to be due on such Series 2004 Bonds maturing in 2032, and that only after Revenues are deposited to such Third Lien Bond accounts are Revenues available for deposit to the General and Administrative Account, so that for such Bond Year ending in 2032, this clause G will for all purposes precede clause H below.
- H. To any Third Lien Bonds Subaccount or other debt service account established with respect to any Third Lien Bonds, but only in amounts and at the times required to pay principal, interest and other amounts thereon as and when due, all as more further provided in any instrument authorizing the series of Third Lien Bonds as permitted.
- H.1 Prior to June 15, 2024, to the Revenue Recycling Account, 100% of remaining Revenues after the above deposits. This clause H.1 will terminate and have no effect on and after June 15, 2024. See “— Revenue Recycling Account,” herein and “APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES — *Thirty-First Supplemental Indenture*.”
- I. Of the remaining Revenues after the above deposits (the “Excess Revenues”), 75% to the National Insured Bonds Debt Service Reserve Account until the balance of such Account is equal to \$10,000,000 and thereafter to make up any deficiency in such Account if the balance falls below \$10,000,000 while the balance of such Account is less than \$10,000,000. See “National Insured Bonds Debt Service Reserve Account.”
- J. Unless (a) the Series 2001H Bonds and the Series 2004A Bonds have been repaid at maturity, or, at the election of the Sports Authority, redeemed, purchased and retired, economically defeased with the approval of National, or defeased, (b) all Credit Provider Reimbursements with respect thereto have been paid, and (c) the 2001C-2 Note has been paid or provided for, to the Debt Repayment Account, at any time when the balance of the National Insured Bonds Debt Service Reserve Account is \$10,000,000 or more, 50% of Excess Revenues. See “Debt Repayment Account.”
- K. While the Series 2001C-1 Note remains Outstanding (note: the Series 2001C-1 Note has been paid in full and is no longer outstanding), to the County Repayment Account 100% of Excess Revenues not deposited to the National Insured Bonds Debt Service Reserve Account or the Debt Repayment Account as provided above. Amounts in the County Repayment Account will be applied to either repay at maturity, or, at the election of the Sports Authority, redeem, purchase and retire, economically defease, or defease the Series 2001C-1 Note, at the direction and discretion of the Sports Authority while the Series 2001C-1 Note remains Outstanding. When the Series 2001C-1 Note is paid or provided for, amounts in the County Repayment Account will, at the written direction of the Sports Authority, be transferred to the Debt Repayment Account unless (a) the Series 2001H Bonds and the Series 2004A Bonds are paid at maturity, or, at the election of the Sports Authority, redeemed, purchased and retired, economically defeased with the approval of National, or defeased, (b) there are no Credit Provider Reimbursements with respect thereto remaining unpaid and (c) the Series 2001C-2 Note is paid or provided for, in which case to the Surplus Account. See “PURPOSE AND PLAN OF FINANCE — Subordinate Obligations of the Sports Authority.”
- L. Unless (a) the Series 2001H Bonds and the Series 2004A Bonds have been repaid at maturity, or, at the election of the Sports Authority, redeemed, purchased and retired, economically defeased with the approval of National, or defeased, (b) all Credit Provider Reimbursements with respect thereto have been paid, and

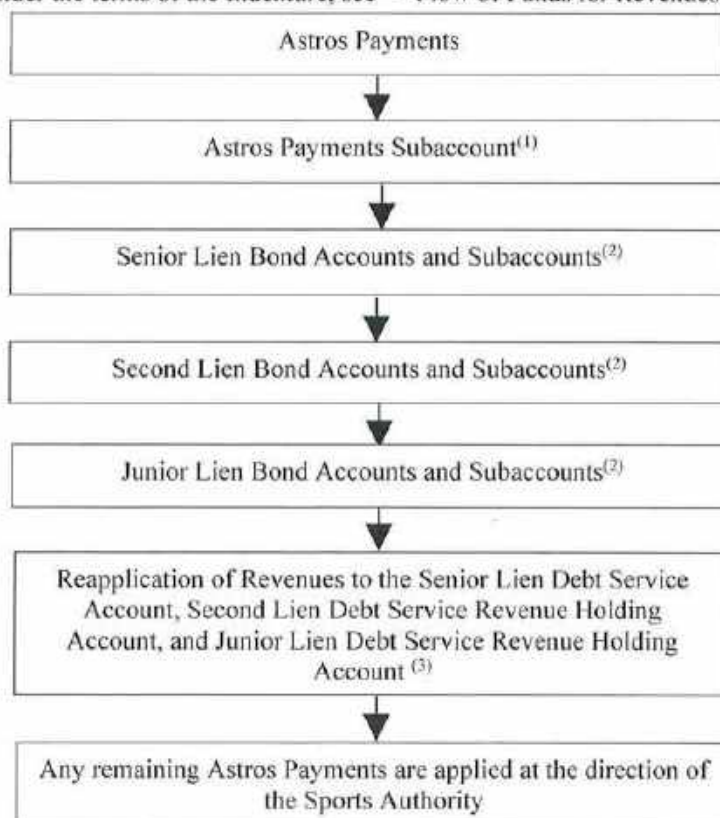
(c) the 2001C-2 Note has been repaid, to the Debt Repayment Account, 100% of any remaining Excess Revenues. See "Debt Repayment Account."

- M. To the Surplus Account (to be held by the Trustee, but not as part of the Trust Estate), all remaining Revenues. Money held in the Surplus Account may be used at the written direction of the Sports Authority: (1) for transfers to the Debt Service Accounts and Debt Service Reserve Accounts to maintain the required balances therein if no other funds are available for such purposes, (2) for the payment or redemption of Bonds, Third Lien Bonds or other obligations of the Sports Authority, (3) for transfers to the Construction Account or Subaccount thereof to pay Costs of an Approved Venue Project, and (4) for any other purpose relating to any other powers or functions of the Sports Authority now or hereafter authorized by law.

Pursuant to the terms of the Indenture, any interest which is payable on Capital Appreciation Bonds shall be deemed to be due in the Bond Year in which payment is scheduled to be made thereon and, for such purposes, such amounts shall be deemed to be "principal" under paragraphs A.2., B.2. and C.2. above, rather than "interest" under paragraphs A.1., B.1. and C.1. above.

Flow of Funds for Astros Payments

Diagram. Set forth below is a diagram which summarizes the application of Astros Payments, and the priority therefor, under the terms of the Indenture. Such diagram does not purport to be comprehensive or definitive and is qualified in its entirety by reference to the Indenture. As described above in "— Astros Payments," the Astros Payments are only pledged to the Trust Estate through Fiscal Year 2029 in the maximum amount of \$4,600,000 per year. See "— Current Status of Astros Payments," "INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros," "— Flow of Funds for Astros Payments — Flow of Funds," "APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE" and APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES." For a diagram summarizing the application of Revenues under the terms of the Indenture, see "— Flow of Funds for Revenues — Diagram."



(footnotes follow on next page)

- (1) The Astros Payment Subaccount is applied prior to the application of the Pledged Revenue Account.
- (2) Astros Payments in respect of debt service due on Senior Lien Bonds, Second Lien Bonds and Junior Lien Bonds are deposited in the applicable Interest Subaccounts and Principal Subaccounts of the Senior Lien Debt Service Account, Second Lien Debt Service Account and Junior Lien Debt Service Account, respectively. Astros Payments may be applied to the payment of debt service on the Series 2020A Bonds, and any other series of Outstanding Bonds and Additional Bonds (to which Astros Payments are pledged) constituting Tax-Exempt Bonds, only to the extent of the Allowed Special Revenue Amount from time to time applicable to such Bonds. Astros Payments may be applied without limitation to the payment of debt service on the Series 2020B Bonds and any Additional Bonds (to which Astros Payments are pledged) constituting Taxable Bonds. Astros Payments to be deposited in respect of debt service due on Senior Lien Bonds, Second Lien Bonds and Junior Lien Bonds will be in the amounts described in "Flow of Funds" below.

Flow of Funds. The Indenture establishes a Special Revenue Account and an Astros Payments Subaccount therein. The Astros Payments will be deposited by the Trustee promptly as received into the Astros Payments Subaccount.

- A. If there are amounts in the Astros Payments Subaccount, the Trustee shall transfer such amounts monthly on the same date and immediately before application of the Pledged Revenue Account (as described above in "Flow of Funds for Revenues"), to the other Accounts and Subaccounts in the amounts and in the order of priority as set forth below.
 - 1. First, (i) to the Senior Lien Interest Subaccounts for the Taxable Senior Lien Bonds an amount equal to the total amount of the Senior Monthly Interest Payments (Fixed), or Senior Monthly Interest Payments (non-Fixed), required for such Bonds for the period commencing on the last day on which interest was due and provided for through the earlier of the next May 15 or November 15, as applicable, calculated without regard to prior deposits of Revenues to the Senior Lien Interest Subaccounts for such Bonds, and (ii) to the Senior Lien Interest Subaccounts for the Tax-Exempt Senior Lien Bonds (but only to the extent of the Allowed Special Revenue Amount) an amount equal to the amount of the Senior Monthly Interest Payment (Fixed), or Senior Monthly Interest Payment (non-Fixed), required for any such Bonds for the month of the deposit, giving full credit for any Revenues previously deposited for such Bonds.
 - 2. Second, (i) to the Senior Lien Principal Subaccounts for the Taxable Senior Lien Bonds an amount equal to the total amount of the Senior Monthly Principal Payments required to be deposited to such Subaccounts for the period commencing on the last day on which interest was due and provided for through the earlier of the next May 15 or November 15, as applicable, calculated without regard to prior deposits of Revenues to the Senior Lien Principal Subaccounts for such Bonds, and (ii) to the Senior Lien Principal Subaccounts for the Tax-Exempt Senior Lien Bonds (but only to the extent of the Allowed Special Revenue Amount) an amount equal to the amount of the Senior Monthly Principal Payment required to be deposited for any such Bonds for the month of the deposit, giving full credit for any Revenues previously deposited for such Bonds.
 - 3. Third, in the order and to the extent required for Revenues for the month of deposit as described in paragraph A.3. above under "Flow of Funds for Revenues — Flow of Funds," to the other Subaccounts for Senior Lien Bonds and each Senior Lien Debt Service Reserve Account in accordance with the terms of the Indenture, but only to the extent of the Allowed Special Revenue Amount with respect to Tax-Exempt Bonds.
 - 4. Fourth, (i) to the Second Lien Interest Subaccounts for the Taxable Second Lien Bonds an amount equal to the total amount of the Second Lien Monthly Interest Payments (Fixed), or Second Lien Monthly Interest Payments (non-Fixed), required for any such Bonds for the period commencing on the last day on which interest was due and provided for through the earlier of the next May 15 or November 15, as applicable, calculated without regard to prior deposits of Revenues to the Second Lien Debt Service Revenue Holding Account for such Bonds, and (ii) to the Second Lien Interest Subaccounts for the Tax-Exempt Second Lien Bonds (but only to the extent of the Allowed Special Revenue Amount) an amount equal to the amount of the Second Lien Monthly Interest Payment (Fixed), or Second Lien Monthly Interest Payment (non-Fixed), required for any

such Bonds for the month of the deposit, giving full credit for any Revenues previously deposited to the Second Lien Debt Service Revenue Holding Account for such Bonds.

5. Fifth, (i) to the Second Lien Principal Subaccounts for the Taxable Second Lien Bonds an amount equal to the total amount of the Second Lien Monthly Principal Payments required to be deposited to such Subaccounts for the period commencing on the last day on which interest was due and provided for through the earlier of the next May 15 or November 15, as applicable, calculated without regard to prior deposits of Revenues to the Second Lien Debt Service Revenue Holding Account for such Bonds, and (ii) to the Second Lien Principal Subaccounts for the Tax-Exempt Second Lien Bonds (but only to the extent of the Allowed Special Revenue Amount) an amount equal to the amount of the Second Lien Monthly Principal Payment required to be deposited for any such Bonds for the month of such deposit, giving full credit for any Revenues previously deposited to the Second Lien Debt Service Revenue Holding Account for such Bonds.
6. Sixth, in the order and to the extent required for Revenues for the month of deposit as described in paragraph B.3. above under "Flow of Funds for Revenues — Flow of Funds," to the other Subaccounts for Second Lien Bonds and to each Second Lien Debt Service Reserve Account in accordance with the terms of the Indenture, but only to the extent of the Allowed Special Revenue Amount with respect to Tax-Exempt Bonds.
7. Seventh, (i) to the Junior Lien Interest Subaccounts for the Taxable Junior Lien Bonds an amount equal to the total amount of the Junior Monthly Interest Payments (Fixed), or Junior Monthly Interest Payments (non-Fixed), required for any such Bonds for the period commencing on the last day on which interest was due and provided for through the earlier of the next May 15 or November 15, as applicable, calculated without regard to prior deposits of Revenues to the Junior Lien Debt Service Revenue Holding Account for such Bonds, and (ii) to the Junior Lien Interest Subaccounts for the Tax-Exempt Junior Lien Bonds (but only to the extent of the Allowed Special Revenue Amount) an amount equal to the amount of the Junior Monthly Interest Payment (Fixed), or Junior Monthly Interest Payment (non-Fixed), required for such Bonds for the month of the deposit, giving full credit for any Revenues previously deposited to the Junior Lien Debt Service Revenue Holding Account for such Bonds.
8. Eighth, (i) to the Junior Lien Principal Subaccounts for the Taxable Junior Lien Bonds an amount equal to the total amount of the Junior Monthly Principal Payments required to be deposited to such Subaccounts for the period commencing on the last day on which interest was due and provided for through the earlier of the next May 15 or November 15, as applicable, calculated without regard to prior deposits of Revenues to the Junior Lien Debt Service Revenue Holding Account for such Bonds, and (ii) to the Junior Lien Principal Subaccounts for the Tax-Exempt Junior Lien Bonds (but only to the extent of the Allowed Special Revenue Amount) an amount equal to the amount of the Junior Monthly Principal Payment required to be deposited for any such Bonds for the month of the deposit, giving full credit for any Revenues previously deposited to the Junior Lien Debt Service Revenue Holding Account for such Bonds.
9. Ninth, in the order to the extent required for Revenues for the month of the deposit as described in paragraph C.3. above under "Flow of Funds for Revenues — Flow of Funds," to the other Subaccounts for Junior Lien Bonds and to each Junior Lien Debt Service Reserve Account in accordance with the terms of the Indenture, but only to the extent of the Allowed Special Revenue Amount with respect to such Tax-Exempt Bonds.
10. Tenth, all additional Astros Payments shall be reapplied only for Tax-Exempt Bonds (but only in the amount of the Allowed Special Revenue Amount), (i) *first* to each Subaccount of the Senior Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Tax-Exempt Senior Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year required to be deposited before the earlier of the next May 15 or November 15 (including all the principal required to be deposited on or before the earlier of the next succeeding May 15 or November 15); *second* to each Subaccount of the Second Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Tax-Exempt Second Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year required to be deposited through

the earlier of the next May 15 or November 15 (including all principal required to be deposited on or before the earlier of the next succeeding May 15 or November 15); and *third* to each Subaccount of the Junior Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Tax-Exempt Junior Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year required to be deposited through the earlier of the next May 15 or November 15 (including all principal required to be deposited on or before the earlier of the next succeeding May 15 or November 15).

11. Eleventh, all additional Astros Payments shall be reapplied for both Taxable Bonds and Tax-Exempt Bonds (but only to the extent of the Allowed Special Revenue Amount for Tax-Exempt Bonds), (i) *first* to each Subaccount of the Senior Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Senior Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year (including all of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year and all the principal due on or before the next succeeding November 15); *second* to each Subaccount of the Second Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Second Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year (including all of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year and all the principal due on or before the next succeeding November 15); and *third* to each Subaccount of the Junior Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Junior Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year (including all of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year and all the principal due on or before the next succeeding November 15).
12. Twelfth, at the written direction of the Sports Authority.

Pursuant to the terms of the Indenture, any interest which is payable from Astros Payments on Capital Appreciation Bonds shall be deemed to be due in the Bond Year in which payment is scheduled to be made thereon and, for such purposes, such amounts shall be deemed to be "principal" under the applicable paragraphs above, rather than "interest."

- B. If Astros Payments are deposited to the credit of any of the Senior Lien Principal Subaccounts, Senior Lien Interest Subaccounts, Second Lien Principal Subaccounts, Second Lien Interest Subaccounts, Junior Lien Interest Subaccounts, or Junior Lien Principal Subaccounts for a corresponding Series of the Taxable Senior Lien Bonds, Taxable Second Lien Bonds, or Taxable Junior Lien Bonds, and corresponding amounts of Revenues and amounts from the Revenue Recycling Account in such amounts have previously been deposited to the Senior Lien Principal Subaccounts, Senior Lien Interest Subaccounts, Second Lien Debt Service Revenue Holding Account, or Junior Lien Debt Service Revenue Holding Account for such Series of Bonds, and if such Accounts or Subaccounts are otherwise fully funded as of the date of the deposit of Astros Payments under subsection (e), then the Trustee shall release such previously deposited amounts from such Accounts or Subaccounts for deposit to the Pledged Revenue Account immediately upon deposit of the Astros Payments.

Revenue Recycling Account

The Revenue Recycling Account is an Account established pursuant to the terms of the Indenture. See "APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE" and "APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES." Such Account will be funded over time from Revenues in accordance with the terms of the Indenture. See "— Flow of Funds for Revenues. Prior to June 15, 2024, as set forth in the Indenture, on the same dates and immediately before the application of amounts in the Astros Payment Subaccount and the application of amounts in the Pledged Revenue Account, all amounts in the Revenue Recycling Account will be applied in the amounts and pursuant to the order of priority described in "— Flow of Funds for Revenues - *Flow of Funds*" above. See "— Flow of Funds for Astros Revenues" and "— Flow of Funds for Revenues." On June 15, 2024, all amounts in the Revenue Recycling Account shall be applied as follows: (1) provided that National Insured Bonds are then Outstanding, to the National Insured Bonds Debt Service Reserve Account to bring the balance in such Account to \$10,000,000 if such balance is less than \$10,000,000; and then (2) provided that National Insured Bonds are then Outstanding the remaining

balance to the Debt Repayment Account; and then (3) as otherwise provided in “Flow of Funds for Revenues - *Flow of Funds*” clauses L and M, above. Upon the final application of funds in the Revenue Recycling Account on June 15, 2024, the Revenue Recycling Account will terminate and will be deleted from the Indenture. Prior to June 15, 2024, the provisions of the Indenture related to the “Revenue Recycling Account” may be amended with the written consent of the 2020 Insurer and National, and without the consent of any holder of the Outstanding Bonds; provided that such amendment will not materially prejudice any non-consenting Owner of an Outstanding Bond for which such Designated Credit Providers are not obligated under a Credit Facility for such Outstanding Bonds.

National Insured Bonds Debt Service Reserve Account

The National Insured Bonds Debt Service Reserve Account is an Account established pursuant to the terms of the Master Indenture. See “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE” and “APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES.” Such Account will be funded over time from Revenues in accordance with the terms of the Master Indenture. See “— Flow of Funds for Revenues.” Pursuant to the terms of the Indenture, moneys in the National Insured Bonds Debt Service Reserve Account shall be applied as follows:

1. First, if on any Interest Payment Date there are not sufficient amounts on deposit in the Senior Lien Interest Subaccount to pay the total amount of interest coming due on any National Insured Bonds which are Senior Lien Bonds entitled to the benefit and security of a Subaccount of the Senior Lien Debt Service Reserve Account on such Interest Payment Date or if on any Principal Payment Date there are not sufficient amounts on deposit in the Senior Lien Principal Subaccount to pay the total amount of principal coming due on any National Insured Bonds which are Senior Lien Bonds entitled to the benefit and security of a Subaccount of the Senior Lien Debt Service Reserve Account on such Principal Payment Date, and after making the earlier required transfers required to be made from other Accounts as provided in the Indenture (and described in “Deficiencies in Interest and Principal Subaccounts — Deficiencies in Senior Lien Interest Subaccount or Senior Lien Principal Subaccount”), including any required draws on Credit Facilities, the Trustee shall transfer sums on deposit in the National Insured Bonds Debt Service Reserve Account or the Debt Service Reserve Account Credit Facility, as provided in the Indenture (and described in “Deficiencies in Interest and Principal Subaccounts — Deficiencies in Senior Lien Interest Subaccount or Senior Lien Principal Subaccount”), to the Senior Lien Interest Subaccount or Senior Lien Principal Subaccount, as the case may be, in an amount sufficient to make up any such deficiency for any National Insured Bonds which are Senior Lien Bonds entitled to the benefit and security of the National Insured Bonds Debt Service Reserve Account.
2. Second, if on any Interest Payment Date there are not sufficient amounts on deposit in the Second Lien Interest Subaccount to pay the total amount of interest coming due on any National Insured Bonds which are Second Lien Bonds entitled to the benefit and security of a Subaccount of the Second Lien Debt Service Reserve Account on such Interest Payment Date or if on any Principal Payment Date there are not sufficient amounts on deposit in the Second Lien Principal Subaccount to pay the total amount of principal coming due on any National Insured Bonds which are Second Lien Bonds entitled to the benefit and security of a Subaccount of the Second Lien Debt Service Reserve Account on such Principal Payment Date, and after making the earlier required transfers required to be made from other Accounts as provided in the Indenture (and described in “Deficiencies in Interest and Principal Subaccounts — Deficiencies in Second Lien Interest Subaccount or Second Lien Principal Subaccount”), including any required draws on Credit Facilities, the Trustee shall transfer sums on deposit in the National Insured Bonds Debt Service Reserve Account, as provided in the Indenture (and described in “Deficiencies in Interest and Principal Subaccounts — Deficiencies in Second Lien Interest Subaccount or Second Lien Principal Subaccount”), to the Second Lien Interest Subaccount or Second Lien Principal Subaccount, as the case may be, in an amount sufficient to make up any such deficiency for any National Insured Bonds which are Second Lien Bonds entitled to the benefit and security of the National Insured Bonds Debt Service Reserve Account.
3. Third, if on any Interest Payment Date there are not sufficient amounts on deposit in the Junior Lien Interest Subaccount to pay the total amount of interest coming due on any National Insured Bonds which are Junior Lien Bonds entitled to the benefit and security of a Subaccount of the

Junior Lien Debt Service Reserve Account on such Interest Payment Date or if on any Principal Payment Date there are not sufficient amounts on deposit in the Junior Lien Principal Subaccount to pay the total amount of principal coming due on any National Insured Bonds which are Junior Lien Bonds entitled to the benefit and security of a Subaccount of the Junior Lien Debt Service Reserve Account on such Principal Payment Date, and after making the earlier required transfers required to be made from other Accounts as provided in the Indenture (and described in “Deficiencies in Interest and Principal Subaccounts — Deficiencies in Junior Lien Interest Subaccount or Junior Lien Principal Subaccount”), including any required draws on Credit Facilities, the Trustee shall transfer sums on deposit in the National Insured Bonds Debt Service Reserve Account, as provided in the Indenture (and described in “Deficiencies in Interest and Principal Subaccounts — Deficiencies in Junior Lien Interest Subaccount or Junior Lien Principal Subaccount”), to the Junior Lien Interest Subaccount or Junior Lien Principal Subaccount, as the case may be, in an amount sufficient to make up any such deficiency for any National Insured Bonds which are Junior Lien Bonds entitled to the benefit and security of the National Insured Bonds Debt Service Reserve Account.

4. Fourth, if on any Interest Payment Date there are not sufficient amounts on deposit in the Third Lien Interest Subaccount to pay the total amount of interest coming due on any National Insured Bonds which are Third Lien Bonds entitled to the benefit and security of a Subaccount of the Third Lien Debt Service Reserve Account on such Interest Payment Date or if on any Principal Payment Date there are not sufficient amounts on deposit in the Third Lien Principal Subaccount to pay the total amount of principal coming due on any National Insured Bonds which are Third Lien Bonds entitled to the benefit and security of a Subaccount of the Third Lien Debt Service Reserve Account on such Principal Payment Date, and after making the earlier required transfers required to be made from other Accounts as provided in the Twentieth Supplemental Indenture, including any required draws on Credit Facilities, the Trustee shall transfer sums on deposit in the National Insured Bonds Debt Service Reserve Account, to the Third Lien Interest Subaccount or Third Lien Principal Subaccount, as the case may be, in an amount sufficient to make up any such deficiency for any National Insured Bonds which are Third Lien Bonds entitled to the benefit and security of the National Insured Bonds Debt Service Reserve Account.

If at any time the balance of the National Insured Bonds Debt Service Reserve Account is greater than \$10,000,000, then the Sports Authority may direct that the amount greater than \$10,000,000 be transferred to the Pledged Revenue Account. Whenever there are no National Insured Bonds or Series 2001A Bonds Outstanding and no Credit Provider Reimbursements with respect thereto remain unpaid, then the Trustee at the written direction of the Sports Authority shall transfer any amount remaining in the National Insured Bonds Debt Service Reserve Account to the Surplus Account. See APPENDIX C for additional provisions regarding the National Insured Bonds Debt Service Reserve Account.

Debt Repayment Account

The Debt Repayment Account is an Account established pursuant to the terms of the Indenture. See “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE” and “APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES.” Such Account will be funded over time from Revenues in accordance with the terms of the Indenture. See “— Flow of Funds for Revenues.”

Prior to June 15, 2024, the Sports Authority may, but is not obligated to, apply amounts in the Debt Repayment Account at its written direction (and election) to either repay, redeem, purchase and retire, economically defease with the approval of National, or defease the following bonds: Series 2001H Bonds and Series 2004A Bonds. On June 15, 2024 and thereafter, within twelve months after the balance in the Debt Repayment Account reaches \$5,000,000, amounts in the Debt Repayment Account must be applied at the written direction (and election) of the Sports Authority to either repay, redeem, purchase and retire, economically defease with the approval of National, or defease the following bonds (in minimum increments from time to time of \$500,000 and until the Debt Repayment Account balance is reduced to \$2,500,000 or a lower level to be mutually acceptable to the Sports Authority and National, notice of which shall be given to the Trustee): the Series 2001H Bonds, Series 2004A Bonds, or the Series 2001C-2 Note. Payments on the Series 2001C-2 Note may be made as they become due without National approval, but payments can only be made prior to their due date with National approval. No money may

be applied from the Debt Repayment Account until it reaches a balance from time to time of \$5,000,000 without the approval of National, except that if less than \$5,000,000 of the obligations that may be repaid from the Debt Repayment Account are outstanding, then the Sports Authority may direct (at its election) that the amount required to repay, redeem, purchase and retire, economically defease with the approval of National, or defease such outstanding obligations will be so applied.

At National's written direction, amounts in the Debt Repayment Account may be allocated to refill the National Insured Bonds Debt Service Reserve Account, if the National Insured Bonds Debt Service Reserve Account balance is less than \$10,000,000. Whenever (a) the Series 2001H Bonds and the Series 2004A Bonds are paid, or, at the election of the Sports Authority, redeemed, purchased and retired, economically defeased with the approval of National, or defeased, (b) there are no Credit Provider Reimbursements with respect thereto remaining unpaid and (c) the Series 2001C-2 Note is paid or provided for, then the Trustee at the written direction of the Sports Authority shall transfer any amount remaining in the Debt Repayment Account to the County Repayment Account unless the Series C-1 Note is then paid or provided for, in which case to the Surplus Account.

Debt Service Reserve Requirements

Senior Lien Bonds. The Twenty-Eighth Supplemental Indenture establishes a Debt Service Reserve Requirement for the Series 2020A Bonds equal to \$ _____, and the Twenty-Ninth Supplemental Indenture establishes a Debt Service Reserve Requirement for the Series 2020B Bonds equal to \$ _____. The Debt Service Reserve Requirements for the Series 2020A Bonds and the Series 2020B Bonds will be satisfied by the purchase of a Debt Service Reserve Account Credit Facility for each series from the 2020 Insurer, which will be deposited to the credit of the applicable Subaccount of Senior Lien Debt Service Reserve Account. See "DEBT SERVICE RESERVE ACCOUNT CREDIT FACILITIES — Senior Lien Debt Service Reserve Account Credit Facilities." Any proceeds received from such Debt Service Reserve Account Credit Facility shall be deposited in the applicable Subaccount of Senior Lien Debt Service Reserve Account and applied as provided in the Indenture to pay only principal of and interest on the Series 2020A Bonds or the Series 2020B Bonds, as applicable, based on the Debt Service Requirements then due with respect to such Bonds.

The Series 2001A Bonds have a Debt Service Reserve Requirement equal to \$19,031,829.55 which is satisfied by Debt Service Reserve Account Credit Facility from AGM. The Series 2001G Bonds have a Debt Service Reserve Fund Requirement of \$2,197,247.47, which was originally funded with a cash deposit.

The available amount of the Debt Service Reserve Account Credit Facilities is the initial face amount of each such Debt Service Reserve Account Credit Facility, less the amount of any previous deposits by AGM with the Trustee which have not been reimbursed by the Sports Authority. Pursuant to the respective Supplemental Indentures, the Sports Authority is required to reimburse AGM, within one year of any deposit, the amount of such deposit made by AGM with the Trustee under any Debt Service Reserve Account Credit Facility. Such reimbursement shall be made from the Trust Estate subject to the priority of payment provisions with respect thereto set forth under the Indenture. The Trustee is required to reimburse AGM, with interest, out of funds available under the Indenture, until the face amount of a Debt Service Reserve Account Credit Facility is reinstated. The Debt Service Reserve Account Credit Facilities are held by the Trustee in the Senior Lien Debt Service Reserve Account and are provided as an alternative to the Sports Authority depositing funds equal to the Reserve Requirement for Senior Lien Bonds.

Second Lien Bonds.

The Thirtieth Supplemental Indenture establishes a Debt Service Reserve Requirement for the Series 2020C Bonds equal to \$ _____. A portion of the proceeds of the Series 2020C Bonds will be deposited into the applicable Subaccount of the Second Lien Debt Service Reserve Account to fully fund the Debt Service Reserve Requirement for the Series 2020C Bonds. Moneys on deposit in such Subaccount of the Second Lien Debt Service Reserve Account will be applied as provided in the Indenture to pay only principal of and interest on the Series 2020C Bonds, pro rata based on the Debt Service Requirements then due with respect to such Bonds. With the consent of the 2020 Insurer, all or a portion of money on deposit in such Subaccount of the Second Lien Debt Service Reserve Account may also be applied to the acquisition of a Debt Service Reserve Account Credit Facility in all or a portion of the amount of the Debt Service Reserve Requirement for the Series 2020C Bonds.

The Debt Service Reserve Requirement for the Series 2014C Bonds is equal to \$6,122,250.00 which was funded by a portion of the proceeds of the Series 2014C Bonds and deposited into the Second Lien Debt Service Reserve Account to fully fund the Debt Service Reserve Requirement for the Series 2014C Bonds. Moneys on deposit in the Second Lien Debt Service Reserve Account will be applied as provided in the Indenture to pay only principal of and interest on the Series 2014C Bonds, pro rata based on the Debt Service Requirements then due with respect to such Bonds. With the consent of the AGM, all or a portion of money on deposit in the Second Lien Debt Service Reserve Account may also be applied to the acquisition of a Debt Service Reserve Account Credit Facility in all or a portion of the amount of the Debt Service Reserve Requirement for the Series 2014C Bonds.

Junior Lien Bonds. The Debt Service Reserve Requirement for the Series 2001H Bonds was satisfied by the deposit of cash, in the amount of \$13,000,000, to the respective Junior Lien Debt Service Reserve Subaccount for the Series 2001H Bonds at the time of delivery thereof. Amounts in such Junior Lien Debt Service Reserve Subaccount will be applied to pay only principal of and interest on the Series 2001H Bonds pursuant to the Indenture. With the consent of National, all or a portion of money on deposit in such Junior Lien Debt Service Reserve Subaccount may also be applied to the acquisition of a Debt Service Reserve Account Credit Facility in all or a portion of the amount of the Debt Service Reserve Requirement for the Series 2001H Bonds.

Third Lien Bonds. The Debt Service Reserve Requirement for the Series 2004A-3 Bonds was satisfied by the deposit of cash at the time of delivery thereof into the Series 2004A Debt Service Reserve Subaccount. Amounts in the Series 2004A Debt Service Reserve Subaccount will be applied to pay only principal of and interest on the Series 2004A-3 Bonds pursuant to the Indenture. With the consent of National, all or a portion of money on deposit in the Series 2004A-3 Debt Service Reserve Subaccount may also be applied to the acquisition of a Debt Service Reserve Account Credit Facility in all or a portion of the amount of the Debt Service Reserve Requirement for the Series 2004A Bonds.

Deficiencies in Interest and Principal Subaccounts

Deficiencies in Senior Lien Interest Subaccount or Senior Lien Principal Subaccount. Pursuant to the terms of the Indenture, in the event, on the Business Day prior to a Payment Date, the amount then on deposit in the Senior Lien Interest Subaccount or the Senior Lien Principal Subaccount is not sufficient to pay to the Owners of the Senior Lien Bonds the full amount of interest on and principal of all Outstanding Senior Lien Bonds due on the Payment Date, the Trustee shall promptly notify the Sports Authority of such fact and thereafter, to the extent that the Sports Authority fails to immediately cure such insufficiency, the Trustee shall withdraw from the Accounts and Subaccounts listed below, prior to curing any deficiencies pursuant to the provisions of the Master Indenture described in "Deficiencies in Second Lien Interest Subaccount or Second Lien Principal Subaccount" and "Deficiencies in Junior Lien Interest Subaccount or Junior Lien Principal Subaccount" set forth below, in the following order, and transfer to the Senior Lien Interest Subaccount or Senior Lien Principal Subaccount, as appropriate, an amount equal to the deficiency:

1. The Special Revenue Account (including the Astros Payments Subaccount), but only if the deficiency relates to Taxable Bonds or, if the deficiency relates to Tax-Exempt Bonds, only in an amount not exceeding the Allowed Special Revenue Amount; and provided further that no Special Revenues which are not pledged to pay a Series of Senior Lien Bonds shall be transferred to cure any such insufficiency for that Series of Senior Lien Bonds;
2. the Pledged Revenue Account;
3. the Senior Lien Redemption Subaccount (other than amounts held therein to pay and redeem Bonds for which notice of redemption has theretofore been given, and amounts held therein to defease Outstanding Bonds pursuant to the terms of the Indenture);
4. the Construction Account;
5. the Senior Lien Principal Subaccount (for deficiencies in the Senior Lien Interest Subaccount);
6. to the extent of any amount therein not required for payment of interest on such Interest Payment Date, the Senior Lien Interest Subaccount (for deficiencies in the Senior Lien Principal Subaccount);

7. the applicable Series Subaccount of the Senior Lien Debt Service Reserve Account if the payment is for principal of or interest on the related Series of Senior Lien Bonds;
8. if the deficiency is for National Insured Bonds, then from the National Insured Bonds Debt Service Reserve Account to be applied only to make up any deficiency for National Insured Bonds; and then
9. to the extent authorized in the Supplemental Indenture establishing any additional Account or Subaccount to be held by the Trustee, from such additional Account or Subaccount.

To the extent cured from Revenues generally pledged to all Senior Lien Bonds, or among Series of Senior Lien Bonds to which Special Revenues are pledged, deficiencies in the Senior Lien Interest Subaccount shall be fully cured prior to curing any deficiency in the Senior Lien Principal Subaccount. Notwithstanding anything in the Master Indenture, no Special Revenues, including Astros Payments, shall be withdrawn from any account to cure any deficiency in any Senior Lien Principal Subaccount or Senior Lien Interest Subaccount except to the extent that such Special Revenues are pledged under a Supplemental Indenture to pay the Series of Senior Lien Bonds to which the deficiency relates. To the extent that Special Revenues are available to cure any deficiency with respect to a Series of Senior Lien Bonds, such Special Revenues shall be applied pro rata to cure the deficiency with respect to each Series of Senior Lien Bonds to which such Special Revenues are pledged.

Deficiencies in Second Lien Interest Subaccount or Second Lien Principal Subaccount. Pursuant to the terms of the Indenture, in the event, on the Business Day prior to a Payment Date, the amount then on deposit in the Second Lien Interest Subaccount or the Second Lien Principal Subaccount is not sufficient to pay to the Owners of the Second Lien Bonds the full amount of interest on and principal of all Outstanding Second Lien Bonds due on the Payment Date, the Trustee shall promptly notify the Sports Authority of such fact and thereafter, to the extent that the Sports Authority fails to immediately cure such insufficiency, the Trustee shall withdraw from the Accounts and Subaccounts listed below, prior to curing deficiencies pursuant to the provisions of the Master Indenture described in "Deficiencies in Junior Lien Interest Subaccount or Junior Lien Principal Subaccount" and subsequent to curing deficiencies, if any, pursuant to the provisions of the Master Indenture described in "Deficiencies in Senior Lien Interest Subaccount or Senior Lien Principal Subaccount," in the following order, and transfer to the Second Lien Interest Subaccount or Second Lien Principal Subaccount, as appropriate, an amount equal to the deficiency:

1. The Special Revenue Account (including the Astros Payments Subaccount), but only if the deficiency relates to Taxable Bonds or, if the deficiency relates to Tax-Exempt Bonds, only in an amount not exceeding the Allowed Special Revenue Amount; and provided further that no Special Revenues which are not pledged to pay a Series of Second Lien Bonds shall be transferred to cure any such insufficiency for that Series of Second Lien Bonds;
2. the Pledged Revenue Account;
3. the Second Lien Redemption Subaccount (other than amounts held therein to pay and redeem Bonds for which notice of redemption has theretofore been given, and amounts held therein to defease Outstanding Bonds pursuant to the terms of the Indenture);
4. the Construction Account;
5. the Second Lien Principal Subaccount (for deficiencies in the Second Lien Interest Subaccount);
6. to the extent of any amount therein not required for payment of interest on such Interest Payment Date, the Second Lien Interest Subaccount (for deficiencies in the Second Lien Principal Subaccount);
7. the applicable Series Subaccount of the Second Lien Debt Service Reserve Account if the payment is for principal of or interest on the related Series of Second Lien Bonds;
8. the Senior Lien Principal Subaccount;
9. the Senior Lien Interest Subaccount;
10. if the deficiency is for National Insured Bonds, then from the National Insured Bonds Debt Service Reserve Account to be applied only to make up any deficiency for National Insured Bonds; and then

11. to the extent authorized in the Supplemental Indenture establishing any additional Account or Subaccount to be held by the Trustee, from such additional Account or Subaccount.

To the extent cured from Revenues generally pledged to all Second Lien Bonds, or among Series of Second Lien Bonds to which Special Revenues are pledged, deficiencies in the Second Lien Interest Subaccount shall be fully cured prior to curing any deficiency in the Second Lien Principal Subaccount. Notwithstanding anything in the Master Indenture, no Special Revenues, including Astros Payments, shall be withdrawn from any account to cure any deficiency in any Second Lien Principal Subaccount or Second Lien Interest Subaccount except to the extent that such Special Revenues are pledged under a Supplemental Indenture to pay the Series of Second Lien Bonds to which the deficiency relates. To the extent that Special Revenues are available to cure any deficiency with respect to a Series of Second Lien Bonds, such Special Revenues shall be applied pro rata to cure the deficiency with respect to each Series of Second Lien Bonds to which such Special Revenues are pledged.

Deficiencies in Junior Lien Interest Subaccount or Junior Lien Principal Subaccount. Pursuant to the terms of the Indenture, in the event, on the Business Day prior to a Payment Date, the amount then on deposit in the Junior Lien Interest Subaccount or the Junior Lien Principal Subaccount is not sufficient to pay to the Owners of the Junior Lien Bonds the full amount of interest on and principal of all Outstanding Junior Lien Bonds due on the Payment Date, the Trustee shall promptly notify the Sports Authority of such fact and thereafter, to the extent that the Sports Authority fails to immediately cure such insufficiency, the Trustee shall withdraw from the Accounts and Subaccounts listed below, subsequent to curing deficiencies, if any, pursuant to the provisions of the Master Indenture described in "Deficiencies in Senior Lien Interest Subaccount or Senior Lien Principal Subaccount" and "Deficiencies in Second Lien Interest Subaccount or Second Lien Principal Subaccount" set forth below, in the following order, and transfer to the Junior Lien Interest Subaccount or Junior Lien Principal Subaccount, as appropriate, an amount equal to the deficiency:

1. the Special Revenue Account (including the Astros Payments Subaccount), but only if the deficiency relates to Taxable Bonds or, if the deficiency relates to Tax-Exempt Bonds, only in an amount not exceeding the Allowed Special Revenue Amount; and provided further that no Special Revenues which are not pledged to pay a Series of Junior Lien Bonds shall be transferred to cure any such insufficiency for that Series of Junior Lien Bonds;
2. the Junior Lien Debt Service Revenue Holding Account;
3. the Pledged Revenue Account;
4. any Junior Lien Redemption Subaccount (other than amounts held therein to pay and redeem Bonds for which notice of redemption has theretofore been given, and amounts held therein to defease Outstanding Bonds pursuant to the terms of the Indenture);
5. the Construction Account;
6. the Junior Lien Principal Subaccount (for deficiencies in the Junior Lien Interest Subaccount);
7. to the extent of any amount therein not required for payment of interest on such Interest Payment Date, the Junior Lien Interest Subaccount (for deficiencies in the Junior Lien Principal Subaccount);
8. The Second Lien Principal Subaccount;
9. The Second Lien Interest Subaccount;
10. The Senior Lien Principal Subaccount;
11. The Senior Lien Interest Subaccount;
12. the applicable Series Subaccount of the Junior Lien Debt Service Reserve Account if the payment is for principal of or interest on the related Series of Junior Lien Bonds;
13. if the deficiency is for National Insured Bonds, then from the National Insured Bonds Debt Service Reserve Account to be applied only to make up any deficiency for National Insured Bonds; and then

14. to the extent authorized in the Supplemental Indenture establishing any additional Account or Subaccount to be held by the Trustee, from such additional Account or Subaccount.

To the extent cured from Revenues generally pledged to all Junior Lien Bonds, or among Series of Bonds to which Special Revenues are pledged, deficiencies in the Junior Lien Interest Subaccount shall be fully cured prior to curing any deficiency in the Junior Lien Principal Subaccount. Notwithstanding anything in the Master Indenture, no Special Revenues, including Astros Payments, shall be withdrawn from any account to cure any deficiency in any Junior Lien Principal Subaccount or Junior Lien Interest Subaccount except to the extent that such Special Revenues are pledged under a Supplemental Indenture to pay the Series of Junior Lien Bonds to which the deficiency relates. To the extent that Special Revenues are available to cure any deficiency with respect to a Series of Junior Lien Bonds, such Special Revenues shall be applied pro rata to cure the deficiency with respect to each Series of Junior Lien Bonds to which such Special Revenues are pledged.

Additional Senior, Second and Junior Lien Bonds

The Sports Authority has reserved the right to issue Additional Senior Lien Bonds, Additional Second Lien Bonds and Additional Junior Lien Bonds, which pursuant to the Indenture are required to mature on November 15, upon satisfaction of certain requirements of the Indenture, including the following:

1. A certificate from the Chair of the Sports Authority that no Event of Default under the Indenture has occurred and shall continue to exist immediately following the date of issuance of the Additional Bonds to be issued.
2. Bond Counsel's opinion to the effect that such Additional Bonds are valid, binding obligations of the Sports Authority and entitled to the benefits of the Indenture and that the requirements for the issuance of such Additional Bonds under the Master Indenture have been satisfied, subject to bankruptcy, insolvency, moratorium, reorganization and other laws affecting creditors' rights generally or matters relating to equitable principles.
3. Consent of each Designated Credit Provider if the Additional Bonds are Variable Rate Bonds or Adjustable Rate Bonds, and, subject to the terms of the Indenture, if the Additional Bonds increase the Adjusted Debt Service Requirements for any Bond Year that certain Bonds are scheduled to be Outstanding, then the consent of each Designated Credit Provider.
4. A certificate of an independent certified public accounting firm to the effect that after giving effect to the issuance of the proposed series of Additional Bonds:
 - (A) For Additional Senior Lien Bonds, (i) Pro Forma Available Revenues (as described below) for each subsequent Bond Year shall equal or exceed 120% of the Adjusted Debt Service Requirement for each such Bond Year for all Senior Lien Bonds and Second Lien Bonds that will be outstanding after the issuance of such Additional Senior Lien Bonds, and (ii) the Pro Forma Additional Bonds Revenues (as described below) for each subsequent Bond Year shall equal or exceed 135% of the Adjusted Debt Service Requirement for each such Bond Year for all Senior Lien Bonds that will be outstanding after the issuance of such Additional Senior Lien Bonds.
 - (B) For Additional Second Lien Bonds, (i) Pro Forma Available Revenues (as described below) for each subsequent Bond Year shall equal or exceed 120% of the Adjusted Debt Service Requirement for each such Bond Year for all Senior Lien Bonds and Second Lien Bonds that will be outstanding after the issuance of such Additional Second Lien Bonds, and (ii) the Pro Forma Additional Bonds Revenues (as described below) for each subsequent Bond Year shall equal or exceed 115% of the Adjusted Debt Service Requirement for each such Bond Year for all Senior Lien Bonds and Second Lien Bonds that will be outstanding after the issuance of such Additional Second Lien Bonds.
 - (C) For Additional Junior Lien Bonds, Pro Forma Available Revenues (as described below) for each subsequent Bond Year shall equal or exceed 115% of the Adjusted Debt Service Requirement for each such Bond Year for all Senior Lien

Bonds, Second Lien Bonds and Junior Lien Bonds that will be outstanding after the issuance of such Additional Junior Lien Bonds.

For purposes of subparagraphs (A), (B) and (C) above and paragraph 5 below, the term "Pro Forma Available Revenues" shall mean the sum of (i) the receipts from the Hotel Occupancy Tax and Vehicle Rental Tax ("Increasing Revenues") for twelve consecutive out of the most recent fifteen months prior to the sale of the Additional Bonds, which Increasing Revenues shall be increased on a pro forma basis in each subsequent Bond Year by 1% per annum for purposes of issuing Additional Senior Lien Bonds and Additional Second Lien Bonds and 3% per annum for purposes of issuing Additional Junior Lien Bonds plus (ii) the receipts from the Astros Payments (see "DESCRIPTION OF PLEDGED REVENUES — Astros Payments") for twelve consecutive out of the most recent fifteen months prior to the sale of the Additional Bonds, without any increase for subsequent Bond Years, plus (iii) receipts from additional amounts, if any, pledged to the Trust Estate (which additional amounts are approved in writing by the Designated Credit Providers for inclusion as Available Revenues) for twelve consecutive out of the most recent fifteen months prior to the sale of the Additional Bonds, without any increase for subsequent Bond Years. For purposes of subparagraphs (A) and (B) above, the term "Pro Forma Additional Bonds Revenues" shall mean the "Additional Bonds Revenues" (as defined in the Indenture) for twelve consecutive calendar months out of the most recent 15 months prior to the sale of the Additional Bonds, without any increase for subsequent Bond Years. The term "Additional Bonds Revenues" is defined in the Indenture as meaning (i) all receipts by the Trustee from the Hotel Occupancy Tax and Vehicle Rental Tax, and (ii) other amounts, funds, accounts, revenues, receivables, or other security irrevocably pledged or assigned as part of the Trust Estate for a Series of Bonds pursuant to a Supplemental Indenture; provided, however, such other items listed in clause (ii) shall constitute Additional Bonds Revenues only if consented to by each Designated Credit Provider.

5. Additional Junior Lien Bonds may be issued for completion purposes with the approval of each Designated Credit Provider then providing a Credit Facility for Junior Lien Bonds or Third Lien Bonds if, in lieu of requirements in paragraph 4 above, there is delivered (i) a certificate of the architect or engineer for an Approved Venue Project stating that the amounts in the Construction Account are insufficient for completion of the Approved Venue Project and stating the amount necessary for such completion, (ii) a certificate of the financial advisor of the Sports Authority stating that the proposed Additional Junior Lien Bonds are in the amount necessary to fund the Construction Account in the amount certified by the architect or engineer for the completion of the Approved Venue Project, and (iii) a certificate of an independent certified public accounting firm stating that the Pro Forma Available Revenues for each subsequent Bond Year shall equal or exceed 105% of the Adjusted Debt Service Requirement for each such Bond Year for all Senior Lien Bonds, Second Lien Bonds and Junior Lien Bonds that will be outstanding after the issuance of such Additional Junior Lien Bonds; provided, that Special Revenues which are not pledged to the payment of a particular series of Junior Lien Bonds shall not be included in measuring whether Pro Forma Available Revenues equal or exceed 105% of the Adjusted Debt Service Requirement for that series of Junior Lien Bonds.
6. Additional Bonds may be issued to refund Senior Lien Bonds, Second Lien Bonds or Junior Lien Bonds without meeting the foregoing coverage tests in paragraph 4 above provided that (i) the Adjusted Debt Service Requirements for each Bond Year that the Additional Bonds will be outstanding does not exceed that of the refunded bonds, as verified by a certificate of an Independent Accountant, (ii) Junior Lien Bonds are not refunded with Senior Lien Bonds or Second Lien Bonds, and (iii) Second Lien Bonds are not refunded with Senior Lien Bonds.
7. The conversion of Senior Lien Bonds, Second Lien Bonds or Junior Lien Bonds which are Variable Rate Bonds or Adjustable Rate Bonds to Fixed Interest Rate Bonds shall not be treated as the issuance of Additional Senior Lien Bonds, Additional Second Lien Bonds or Additional Junior Lien Bonds subject to the respective requirements set forth above unless the interest rate to be borne by such Senior Lien Bonds, Second Lien Bonds or Junior Lien Bonds from and after the date of conversion will exceed the Certified Rate taken into account for purposes of computing Adjusted Debt Service Requirements in connection with the issuance of the Variable Rate Bonds or Adjustable Rate Bonds to be converted.

8. Additional Bonds may be issued if and to the extent necessary to refund maturing Bonds in case moneys in the applicable Debt Service Account are or will be insufficient to pay the same at maturity, which refunding Additional Bonds may be on a parity with the Bonds with respect to which such insufficiency exists, provided that, with respect to maturing Bonds for which National or the AGM is a Credit Provider, no such Additional Bonds may be issued without the consent of the applicable Designated Credit Provider.

Additional Third Lien Bonds

In the Indenture, the Sports Authority has reserved the right to issue Additional Third Lien Bonds subject to the following conditions:

1. With the consent of National (while any National Insured Bonds that are Junior Lien Bonds or Third Lien Bonds are Outstanding), and thereafter with the consent of AGM, the Sports Authority may issue, and pay principal, interest and other amounts due with respect to Third Lien Bonds payable in whole or in part out of Revenues, any Special Revenues pledged to the payment of Third Lien Bonds, and other amounts which constitute the Trust Estate under the Indenture only as provided in the Indenture.

2. Third Lien Bonds may have such terms and be of such priorities as the Sports Authority establishes, except that Third Lien Bonds may be payable from and secured by a lien, claim and charge which is junior and subordinate to the lien, claim and charge on the Revenues, any Special Revenues pledged to the Third Lien Bonds, and the remainder of the Trust Estate securing any Outstanding Senior Lien Bonds, Outstanding Second Lien Bonds or Outstanding Junior Lien Bonds (i) shall not be subject to acceleration of maturity except pursuant to a mandatory sinking fund and (ii) shall not contain provisions which permit the declaration of an Event of Default under the Indenture upon any failure to pay principal of or interest on Third Lien Bonds as and when due, except in each case as payable solely from amounts pledged to such Third Lien Bonds or which are not pledged to payment of the Senior Lien Bonds, Second Lien Bonds or Junior Lien Bonds as part of the Trust Estate.

3. No Revenues, Special Revenues, or the remainder of the Trust Estate shall be used to pay any Third Lien Bonds except as such amounts are deposited to a Third Lien Bonds Account. Any instrument authorizing any Series of Third Lien Bonds shall provide that no Revenues shall be transferred or otherwise remitted from the Revenue Account to a Third Lien Bonds Account for the payment of any amount of principal, interest or other amounts thereon if, as of the date such transfer or remittance is to be made, there are insufficient Revenues or Special Revenues to make the deposits required by the Indenture as of such date.

Default Provisions and Remedies

Events of Default. Each of the following events constitutes an "Event of Default" under the Indenture (whatever the reason for such an Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

- (a) if default shall be made in the due and punctual payment of any interest on any Outstanding Bond secured by the Indenture; or

- (b) if default shall be made in the due and punctual payment of the principal of or any redemption premium on any Outstanding Bond secured by the Indenture, whether at the stated maturity thereof or at the date fixed for redemption thereof; or

- (c) if default shall be made in the due and punctual payment of any other moneys required to be paid to the Trustee or a Credit Provider under the provisions of the Master Indenture or any Supplemental Indenture, Credit Agreement or Related Document, and such default shall have continued for a period of 30 days after written notice thereof, specifying such default, shall have been given by the Trustee to the Sports Authority, by the Credit Provider to the Sports Authority and the Trustee in the case of a default with respect to a Credit Agreement or a Related Document, or to the Sports Authority and the Trustee by the Owners of not less than a majority in aggregate principal amount of the then Outstanding Bonds; or

- (d) if default shall be made in the performance or observance of any other of the covenants, agreements or conditions on the part of the Sports Authority contained in the Master Indenture, any Supplemental

Indenture, the Bonds, Credit Agreement or Related Document, and such default shall have continued for a period of 30 days after written notice thereof given in the manner provided in clause (a) above, provided, however, that if the default stated in such notice cannot be corrected within such 30 day period, but can be corrected with due diligence, it shall not constitute an Event of Default if corrective action is instituted by the Sports Authority within such 30 day period and diligently pursued until such default or breach is corrected.

Notwithstanding the foregoing, any default under clause (a) or (b) above that is in respect of Bonds other than Senior Lien Bonds will not constitute an Event of Default with respect to the Senior Lien Bonds. In addition, any default under clause (c) or (d) above that does not relate to Senior Lien Bonds, or to any Credit Agreement or Related Documents entered into with respect to Senior Lien Bonds, will not constitute an Event of Default with respect to the Senior Lien Bonds. In addition, notwithstanding the foregoing, any default under clause (a) or (b) above that is in respect of Bonds other than Senior Lien Bonds or Second Lien Bonds will not constitute an Event of Default with respect to the Second Lien Bonds. In addition, any default under clause (c) or (d) above that does not relate to Senior Lien Bonds or Second Lien Bonds, or to any Credit Agreement or Related Document entered into with respect to Senior Lien Bonds or Second Lien Bonds, or to any Credit Agreement or Related Document entered into with respect to Second Lien Bonds, will not constitute an Event of Default with respect to the Second Lien Bonds.

Remedies. Upon the occurrence of an Event of Default, the Trustee may by mandamus or other suit, action, or proceeding proceed to pursue any available remedy at law or in equity to enforce all rights of the Bondowners and covenants of the Sports Authority, including without limitation the right to the payment of the principal or premium. If any, and interest on the then Outstanding Bonds out of any Available Revenues or any remainder of the Trust Estate. If an Event of Default has occurred and is continuing, and if requested to so by the Owners of a majority in aggregate principal amount of the Bonds Outstanding with respect to which an Event of Default has occurred and is continuing, and without limiting the foregoing, the Trustee shall, subject to the provisions of the Indenture described in "Direction of Proceedings by Bondowners" below, proceed to protect and enforce its rights and the rights of Bondowners under the Indenture by such mandamus, suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or agreement contained in the Indenture or in aid of execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, as the Trustee (being advised by said Independent Counsel selected by the Trustee) shall deem most expedient in the interests of the Bondowners; provided, however, that the Trustee shall have the right to decline to comply with any request of Bondowners under the provisions of the Indenture described in "Direction of Proceedings by Bondowners" below if the Bondowners shall not have offered indemnification acceptable to the Trustee pursuant to the terms of the Indenture or otherwise or if the Trustee shall be advised by Independent Counsel that the action so requested may not lawfully be taken or if the Trustee in good faith shall determine that such action would be unjustly prejudicial to the Bondowners not parties to such request and provided, further, that notwithstanding any other provision of the Indenture and under no circumstances (including in an Event of Default, upon an act of bankruptcy, upon a determination of insolvency, in connection with a receivership proceeding or otherwise) shall the Trustee, any Bondowner or any other person (i) have the right or power to accelerate the maturity of any Bonds or (ii) take any action or direct the Trustee to take any action contrary to the provisions of the Indenture described in paragraph (d) under "Credit Providers' Right to Direct Remedies."

No remedy by the terms of the Indenture conferred upon or reserved to the Trustee (or to the Bondowners) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy (i) given to the Trustee or to the Owners under the Indenture or (ii) now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of 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.

No waiver of any Event of Default under the Indenture, whether by the Trustee or by one or more Owners, shall extend to or shall affect any subsequent Event of Default or impair any rights or remedies consequent thereon.

All rights of action under the Indenture or under any of the Outstanding Bonds, enforceable by the Trustee, may be enforced by it without the possession of any of the Outstanding Bonds, or the production thereof, in the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be

brought in its name for the benefit of all the Owners of such Outstanding Bonds, subject to the provisions of the Indenture.

Direction of Proceedings By Bondowners. The Owners of a majority in aggregate principal amount of the then Outstanding Bonds with respect to which an Event of Default has occurred and is continuing shall have the right, at any time after providing indemnification pursuant to the terms of the Indenture if requested by the Trustee, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture and the Related Documents or for the appointment of a receiver or any other proceedings under the Indenture; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture.

Credit Providers' Right to Direct Remedies. (a) With respect to Bonds insured by National and AGM (see "PURPOSE AND PLAN OF FINANCE — Bond Insurance and Debt Service Reserve Account Credit Facilities"), each respective Supplemental Indenture provides that, subject to the conditions described therein and in the Master Indenture, any or all actions, consents, waivers or rights pertaining to defaults and remedies and the duties and obligations of the Trustee that may be exercised by the Owner of any such bond shall be exercised by National or AGM, as applicable, as though National or the AGM, as applicable, were such Owner, provided that National or AGM, as applicable, is not in default on its payment obligations under any Credit Facility, except as National or the, as applicable, is otherwise subrogated to the rights of one or more Owners of Bonds as a result of prior payments under a Credit Facility.

In furtherance thereof and as a term of the Indenture and each Bond, the Trustee and each Bondholder appoint National and AGM, as applicable, as their agent and attorney-in-fact and agree that National or AGM, as applicable, may at any time during the continuation of any proceeding by or against the Sports Authority under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each Bondholder delegate and assign to National or AGM, as applicable, to the fullest extent permitted by law, the rights of the Trustee and each Bondholder in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding.

In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under a Supplemental Indenture or the Indenture would adversely affect the security for the Bonds or the rights of the Bondholders, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Credit Facility relating to such Bonds.

(b) Pursuant to the terms of the Master Indenture, provided that if AGM is not otherwise in default on its payment obligations under any Credit Facility, AGM, after providing indemnification pursuant to the terms of the Indenture if requested by the Trustee, by an instrument or instruments in writing executed and delivered to the Trustee, may direct, and the Trustee shall not seek to enforce without such direction, any or all remedies which may be exercised by the Trustee under the Indenture with respect to any Bonds for which AGM has provided the Credit Facility, and any directions which may be given by the Bondowners of such Bonds under Article Ten of the Master Indenture may be exercised by AGM as though AGM were the Owner.

(c) Pursuant to the terms of the Master Indenture, provided that if National is not otherwise in default on its payment obligations under any Credit Facility, National, after providing indemnification pursuant to the terms of the Indenture if requested by the Trustee, by an instrument or instruments in writing executed and delivered to the Trustee, may direct, and the Trustee shall not seek to enforce without such direction, any or all remedies which may be exercised by the Trustee hereunder with respect to any Bonds for which National has provided the Credit Facility, and any directions which may be given by the Bondowners of such Bonds under this Article may be exercised by National as though National were the Owner.

(d) Notwithstanding the foregoing provisions of the Master Indenture described in paragraphs (a), (b) and (c) above and in "Directions of Proceedings by Bondowners", if an Event of Default occurs and is continuing

with respect to both Senior Lien Bonds or Second Lien Bonds, on the one hand, and Junior Lien Bonds or Third Lien Bonds, on the other hand, then, except for an action in order to prevent funds in the Trust Estate from being distributed to the Sports Authority, the Owners of Junior Lien Bonds or Third Lien Bonds, as applicable, will refrain from directing the Trustee in the exercise of remedies, and the Trustee will refrain from exercising remedies directed by such Owners, unless (1) within 45 days of receipt of notice of such Event of Default, the Owners of Senior Lien Bonds or Second Lien Bonds have not directed the Trustee to exercise remedies with respect to such Event of Default; or (2) the remedies so directed by such Owners within such 45 days did not include an action in mandamus to cause the Sports Authority to impose, collect, or transfer Revenues to provide for payment of the applicable Junior Lien Bonds or the Third Lien Bonds, in which case the applicable Owners of such Junior Lien Bonds or Third Lien Bonds may direct the Trustee to commence such an action; provided, that (A) notwithstanding the foregoing or any other provision of the Master Indenture or under any Supplemental Indenture, no Owner is entitled to seek or direct the Trustee to seek, nor may the Trustee seek or be required to seek, any remedy authorized under the Master Indenture which may prevent, hinder, or delay the funding of any First and Second Lien Accounts or the use of the funds in any First and Second Lien Accounts for the purposes intended under the Indenture, except as expressly provided in the following sentence, and (B) to the extent the Trustee is receiving conflicting instructions from the Owners of Junior Lien Bonds or Third Lien Bonds, on the one hand, and the Owners of the Senior Lien Bonds or Second Lien Bonds, on the other hand, with respect to any of the First and Second Lien Accounts, then the instructions of the Owners of the Senior Lien Bonds or Second Lien Bonds shall control.

The rights, remedies and obligations of the Bondholders under the provisions of the Master Indenture described in this paragraph (d) shall apply to the applicable Credit Providers of such Bondholders, and shall be subject to the rights of Credit Providers to direct remedies under the Master Indenture or any Supplemental Indenture. Without limitation to the foregoing, any direction with respect to remedies given by the Credit Provider of Junior Lien Bonds or Third Lien Bonds, acting as though it were the Owner of such Bonds as contemplated by the provisions of the Master Indenture described in paragraph (a) above, shall comply in all respects with the provisions of the Master Indenture described in this paragraph (d).

Nothing in the provisions of the Master Indenture described in this "Credit Providers' Right to Direct Remedies" subheading shall prevent any Credit Provider of any Junior Lien Bonds or Third Lien Bonds from seeking an accounting or challenging the accounting of the funding of, or use of funds in, the First and Second Lien Accounts through an arbitration proceeding as provided in the Master Indenture or prevent such Credit Provider or the Trustee from complying with any findings, award or order of the arbitrator; provided that during the pendency of such proceeding each Credit Provider and the Trustee shall remain subject to clause (A) of the proviso in the first paragraph of this paragraph (d).

(e) None of the provisions of the Master Indenture described in this "Credit Providers' Right to Direct Remedies" subheading precludes any Bondowner from enforcing, or impairs the right of any Bondowner to enforce, the payment by the Trustee of principal of, and interest and premium, if any, on any Bond of such Bondowner at or after its date of maturity, if and to the extent that such payment is required to be made to such Bondowner by the Trustee from available funds in accordance with the terms of the Master Indenture.

Waiver of Stay or Extension Laws. Upon the occurrence of an Event of Default, to the extent that such rights may then lawfully be waived, neither the Sports Authority nor anyone claiming through it or under it shall or will set up, claim, or seek to take advantage of any appraisement, valuation, stay, extension or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement of the Indenture, but the Sports Authority, for itself and all who may claim through or under it, in the Indenture waives to the extent that it lawfully may do so the benefit of all such laws and all right of appraisement and redemption to which it may be entitled under the laws of the State of Texas.

Priority of Payment and Application of Moneys. All Senior Lien Bonds issued under and secured by the Indenture shall be equally and ratably secured by and payable from the Senior Lien Debt Service Account without priority of one Senior Lien Bond over any other, except as otherwise expressly provided (i) in the Master Indenture with respect to Senior Lien Bonds of a specific Series (or specific Senior Lien Bonds within a Series) secured by a Credit Facility or (ii) in a Supplemental Indenture or (iii) with respect to moneys or assets whether or not held in the Senior Lien Debt Service Account pledged to secure one or more Series of Senior Lien Bonds (or specific Senior Lien Bonds within a Series) and not other Bonds. All Second Lien Bonds issued under and secured by the Indenture shall be equally and ratably secured by and payable from the Second Lien Debt Service Account without priority of one Second Lien Bond over any other, except as otherwise expressly provided (i) in the Master Indenture with

respect to Second Lien Bonds of a specific Series (or specific Second Lien Bonds within a Series) secured by a Credit Facility or (ii) in a Supplemental Indenture or (iii) with respect to moneys or assets whether or not held in the Second Lien Debt Service Account pledged to secure one or more Series of Second Lien Bonds (or specific Second Lien Bonds within a Series) and not other Bonds. All Junior Lien Bonds issued under and secured by the Indenture shall be equally and ratably secured by and payable from the Junior Lien Debt Service Account without priority of one Junior Lien Bond over any other, except as otherwise expressly provided (i) in the Master Indenture with respect to Junior Lien Bonds of a specific Series (or specific Junior Lien Bonds within a Series) secured by a Credit Facility or (ii) in a Supplemental Indenture or (iii) with respect to moneys or assets whether or not held in the Junior Lien Debt Service Account pledged to secure one or more Series of Junior Lien Bonds (or specific Junior Lien Bonds within a Series) and not other Bonds. Upon the occurrence of an Event of Default, all moneys collected pursuant to action taken pursuant to the Trustees' or Bondowners' remedies hereunder, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of all fees (including default administration fees), expenses (including but not limited to, counsel's fees), liabilities and advances incurred or made by the Trustee, Paying Agent, Registrar, and other fiduciary capacities in which the Trustee may serve under the Indenture and after any other prior application of such moneys has been made as is required by law shall be deposited in such Accounts or Subaccounts as required by Article Five of the Master Indenture, and shall be applied in the manner provided by Article Five of the Master Indenture.

Remedies Vested in Trustee. All rights of action (including the right to file proof of claims in any insolvency proceeding) under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Owners of the Bonds, and any recovery or judgment shall be for the equal benefit of the Owners of the Outstanding Bonds to the extent and in the manner provided in the Indenture. The Sports Authority and the Trustee have agreed under the Indenture, without in any way limiting the effect and scope thereof, that the pledge and assignment under the Indenture to the Trustee of all rights included with the Trust Estate shall constitute an agency appointment coupled with an interest on the part of the Trustee which, for all purposes of the Indenture, shall be irrevocable and shall survive and continue in full force and effect notwithstanding the bankruptcy or insolvency of the Sports Authority or its default under the Indenture or on the Bonds.

Rights and Remedies of Owners. No Owner of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the Master Indenture, a Supplemental Indenture, a Credit Facility, Credit Agreement or any Related Documents or for the execution of any trust of the Indenture or any remedy under the Indenture or thereunder or for the appointment of a receiver, unless: (i) a default thereunder shall have become an Event of Default and the Owners of a majority in aggregate principal amount of the Bonds then Outstanding with respect to which an Event of Default has occurred and is continuing shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers granted under the Indenture or to institute such action, suit or proceeding in its own name; (ii) such Owners shall have offered to indemnify the Trustee as provided in the Indenture; and (iii) the Trustee shall thereafter fail or refuse to exercise within a reasonable period of time the remedies granted under the Indenture, or to institute such action, suit or proceeding in its own name. Such notification, request and offer of indemnity are declared in every such case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of the Indenture, and to any action or cause of action for the enforcement of the Master Indenture, a Supplemental Indenture, a Credit Facility, Credit Agreement or a Related Document, or for the appointment of a receiver or for any other remedy under the Indenture; it being understood and intended that no one or more Owners of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of the Indenture, by its, his, her or their action or to enforce any right thereunder except in the manner provided in the Indenture, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Indenture, and for the equal benefit of the Owners of all Bonds then Outstanding; provided, however, that nothing in the Indenture shall be construed to preclude any Bondowner from enforcing, or impair the right of any Bondowner to enforce, the payment by the Trustee of principal of, and interest and premium, if any, on any Bond of such Bondowner at or after its date of maturity, if and to the extent that such payment is required to be made to such Bondowner by the Trustee from available funds in accordance with the terms of the Indenture.

Termination of Proceedings. In case the Trustee shall have proceeded to enforce any right under the Master Indenture, a Supplemental Indenture, any Credit Facility, Credit Agreement or Related Document by the appointment of a receiver, by entry and possession or otherwise shall have been determined adversely to the Trustee,

then and in every case the Sports Authority and the Trustee shall be restored to their former positions and rights under the Indenture with respect to the property conveyed under the Indenture, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Waiver of an Event of Default. The Trustee may in its discretion waive any Event of Default under the Indenture and its consequences and shall do so upon written request of the Owners of (i) a majority in aggregate principal amount of all the Bonds then Outstanding with respect to which default in the payment of principal, premium, and interest, or any of them, exists, or (ii) a majority in aggregate principal amount of all the Bonds then Outstanding with respect to which an Event of Default has occurred and is continuing in the case of any other Event or Default; provided, however, that there shall not be waived (i) any Event of Default in the payment of the principal of or premium on any Outstanding Bonds on the redemption date or at the date of maturity specified therein or (ii) any Event of Default in the payment when due of the interest on any such Bonds, unless prior to such waiver all arrearages of payments of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds with respect to which such Event of Default shall have occurred, and all arrearages of payments of principal and premium, if any, with interest (to the extent permitted by law) at the rate borne by the Bonds with respect to which such Event of Default shall have occurred, and all arrearages of payments of principal and premium, if any, with interest (to the extent permitted by law) at the rate borne by the Bonds with respect to which such Event of Default shall have occurred, and all expenses of the Trustee, Bond Registrar, Paying Agents and other fiduciary capacities of the Trustee in connection with such Event of Default, shall have been paid or provided for. No such waiver or rescission shall extend to any subsequent or other Events of Default, or impair any rights consequent thereon.

Trustee as Agent of Sports Authority. Anything in the Indenture to the contrary notwithstanding, no default as described in paragraph (c) or (d) of "Events of Default" above shall constitute an Event of Default until actual notice of such default by registered or certified mail shall be given by the Trustee to the Sports Authority, and the Sports Authority shall have had the time permitted as prescribed in such paragraph after receipt of such notice to correct said default or cause said default to be corrected and the Sports Authority shall not have corrected said default or caused said default to be corrected within said time; provided, however, if said default occurs under paragraph (d) of "Events of Default" above, it shall not constitute an Event of Default if corrective action is instituted by the Sports Authority within said time and diligently pursued until the default is corrected.

With regard to any alleged default concerning which notice is given to the Sports Authority under the provisions of the Indenture as described in this "Trustee as Agent of Sports Authority" caption, the Sports Authority names and appoints the Trustee as its attorney-in-fact and agent with full authority to perform any covenant or obligation of the Sports Authority alleged in said notice to constitute a default, in the name and stead of the Sports Authority with full power to do any and all things and acts to the same extent that the Sports Authority could do and perform any such things and acts and with power of substitution; provided that the Trustee shall give the Sports Authority notice of its intention so to perform on behalf of the Sports Authority, and provided further that the Sports Authority may at any time, by a writing addressed to the Trustee, cancel, withdraw, limit or modify the appointment made under the Indenture.

Arbitration. The Master Indenture contains certain dispute resolution procedures that must be utilized, but only while National is a Designated Credit Provider, to resolve disputes that may arise under the Master Indenture involving whether the Trustee is in compliance with the Master Indenture or fulfilling its duties thereunder. Such procedures may be initiated by the Sports Authority, the Trustee or any Credit Provider (each, a "Relevant Party") except that a Credit Provider that is in default of its payment obligations under its Credit Facility shall not have the right to initiate such procedures although to protect its interests it may participate in any such procedures initiated by another Relevant Party. Upon commencement of any arbitration proceeding under such provisions of the Master Indenture, the Sports Authority shall deliver notice thereof to Bondowners through the Electronic Municipal Market Access website of the Municipal Securities Rulemaking Board.

Waiver of Sovereign Immunity. Pursuant to Texas Government Code Section 1371.059, in the Master Indenture the Sports Authority waives the defense of sovereign immunity from suit or liability for the purpose of adjudicating a claim to enforce the Master Indenture, the Bonds, or any Credit Agreement entered pursuant to the Master Indenture or for damages for breach of the Master Indenture, the Bonds, or any such Credit Agreement.

See "INVESTMENT CONSIDERATIONS — Limitation and Enforceability of Remedies; Bankruptcy." See also, "APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE" and "APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES."

INVESTMENT CONSIDERATIONS

General

In considering the matters set forth in this Official Statement, prospective investors should carefully review all investment considerations and bondholders' risks set forth throughout this Official Statement and should specifically consider certain risks associated with the Series 2020 Bonds. There follows a summary of some, but not necessarily all, of the investment considerations attendant to an investment in the Series 2020 Bonds. The order in which investment considerations are presented in this caption is not intended to reflect either the likelihood that a particular event will occur or the relative significance of such an event. Moreover, there may well be other considerations and risks associated with an investment in the Series 2020 Bonds in addition to those set forth in this Official Statement. In order to allow potential investors to identify investment considerations and make an informed investment decision, potential investors should be thoroughly familiar with the entire Official Statement and the Schedules and Appendices hereto and should have accessed whatever additional financial and other information any such investor may deem necessary to make its decision to invest in the Series 2020 Bonds.

Forward-Looking Statements

This Official Statement, including the Schedules and Appendices hereto and the documents incorporated herein by reference, contain "forward-looking statements," which generally can be identified with words or phrases such as "anticipates," "believes," "could," "estimates," "expects," "foresees," "may," "plan," "predict," "should," "will" or other words or phrases of similar import. All statements included in this Official Statement, including the Schedules and Appendices hereto, that any person expects or anticipates will, should or may occur in the future are forward-looking statements. These statements are based on assumptions and analysis made by the Sports Authority, in light of its experience and perception of historical trends, current conditions and expected future developments as well as other factors it believes are appropriate in the circumstances. However, whether actual results and developments will conform with expectations and predictions is subject to a number of risks and uncertainties, including, without limitation, the information discussed under this "INVESTMENT CONSIDERATIONS" caption of this Official Statement as well as additional factors beyond the Sports Authority's control. The risk factors and assumptions described under such caption and elsewhere in this Official Statement could cause actual results to differ materially from those expressed in any forward-looking statement. All of the forward-looking statements made in this Official Statement and any Schedules and Appendices hereto are qualified by these cautionary statements. There can be no assurance that the actual results or developments anticipated will be realized or, even if substantially realized, that they will have the expected consequences to or effects on the Revenues, Astros Payments or the Sports Authority's operations. All subsequent forward-looking statements attributable to the Sports Authority or persons acting on its behalf are expressly qualified in their entirety by the factors and assumptions described above and in any documents containing those forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the Sports Authority on the date hereof, and the Sports Authority does not assume any obligation to update any such forward-looking statements.

The forward-looking statements herein are necessarily based on various assumptions and estimates that are inherently subject to numerous risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

Sufficiency of Revenues and Astros Payments

Sufficiency of Revenues. The Pandemic has negatively affected travel globally and has had a negative impact on hotel occupancy levels and demand for rental cars in the Houston market resulting in a decline in Hotel Occupancy Tax and Vehicle Rental Tax revenues. The Sports Authority is unable to predict when revenues will return to pre-Pandemic levels. Other factors that negatively affect travel include adverse changes in the levels of corporate travel and tourism, energy costs, governmental rules and policies, potential environmental and other liabilities and interest rate levels. Corporate travel and tourism are highly dependent upon gasoline and other fuel

prices, airline fares, and the national economy. See – “INFECTIOUS DISEASE OUTBREAK - COVID-19,” “PURPOSE AND PLAN OF FINANCE – Background, Tender and Purpose – *Background*,” and “DESCRIPTION OF PLEDGED REVENUES - Schedule 2 — Historical Revenues” and “DESCRIPTION OF PLEDGED REVENUES — Current Status of Astros Payments.”

Receipts of the Hotel Occupancy Tax largely depend on the occupancy and average daily rates (“ADRs”) at hotels located in the City and County. The Houston market has an aggregate hotel occupancy tax rate of 17%, which is the highest in the nation. The high tax rate is offset in part by Houston’s relatively low ADR and by the fact that corporate travelers that make up one of the largest demand segments in the Houston market tend to select hotels based on proximity to the place in which they are to do business, rather than on tax levels. Key factors that may adversely affect the amount of receipts of the Hotel Occupancy Tax generated from the rental of hotel rooms include: market support; general levels of convention business; levels of tourism; seasonality; and competition from other markets.

Sufficiency of Astros Payments. Astros Payments will be applied prior to the application of Revenues in accordance with the terms of the Indenture. As described above in “SECURITY FOR THE SERIES 2020 BONDS — Astros Payments,” the Astros Payments are only pledged to the Trust Estate through Fiscal Year 2029 in the maximum amount of \$4,600,000 per year. See “DESCRIPTION OF PLEDGED REVENUES — Agreements Relating to Minute Maid Park.” Additionally, pursuant to the terms of the Indenture, the pledge of the Astros Payments (including the application thereof) with respect to Tax-Exempt Bonds is limited to the Allowed Special Revenue Amount. Accordingly, Astros Payments may be applied to the payment of debt service on the Series 2020A Bonds and any other series of Outstanding Bonds and Additional Bonds (to which Astros Payments are pledged) constituting Tax-Exempt Bonds, only to the extent of the Allowed Special Revenue Amount from time to time applicable to such Bonds, which may substantially limit the Astros Payments available for such purpose. Astros Payments may be applied without limitation to the payment of debt service on the Series 2020B Bonds, Series 2020C Bonds and any Additional Bonds (to which Astros Payments are pledged) constituting Taxable Bonds. See “SECURITY FOR THE SERIES 2020 BONDS — Flow of Funds for Astros Payments.” In certain circumstances, the Ballpark Lease and the Ballpark License Agreement may be terminated, and the Astros’ obligation to pay the Astros Payments to the Sports Authority may be reduced in the event and to the extent the Sports Authority imposes certain future taxes related to Minute Maid Park. To date, the Sports Authority has not imposed any such taxes. In addition, the Ballpark Lease and the Ballpark License Agreement (which obligate the Astros to pay the Astros Payments to the Sports Authority) each have a term that is scheduled to expire in March 2050, with the Astros having the option to extend each such term for up to two consecutive periods of five years each. There can be no assurance that either the Ballpark Lease or the Ballpark License Agreement will be extended beyond its current term or that either of the agreements will not be terminated early. See “DESCRIPTION OF PLEDGED REVENUES — Agreements Relating to Minute Maid Park.” Any failure of the Sports Authority to receive the Astros Payments could negatively affect the security for the Series 2020 Bonds as shortfall in the Astros Payments would have to be made up from Revenues. As described in “DESCRIPTION OF PLEDGED REVENUES — Astros Payments,” the total amount of Astros Payments payable by the Astros to the Sports Authority each year from Base Rent and Royalty Payments currently is \$5,600,000, provided however, that only \$4,600,000 per year is pledged to the Trust Estate and such pledge only goes through Fiscal Year 2029. The Astros have requested Rent and Royalty Credit for certain cancelled Astros games. See “DESCRIPTION OF PLEDGED REVENUES — Current Status of Astros Payments” and “— Ballpark Lease” and “— Ballpark License Agreement.” See also “INFECTIOUS DISEASE OUTBREAK - COVID-19.”

Bond Insurance

Payment of the principal of and interest on the Series 2020 Bonds when due will be insured by the 2020 Insurer’s Policy (as defined in “BOND INSURANCE — Bond Insurance Policy”) in accordance with its terms.

In the event of default of the payment of principal or interest with respect to the Series 2020 Bonds when all or some becomes due, any owner of the Series 2020 Bonds shall have a claim under the Policy for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional

prepayment of the Series 2020 Bonds by the Sports Authority which is recovered by the Sports Authority from the bond owner as a voidable preference under applicable bankruptcy law is covered by the Policy, however, such payments will be made by the 2020 Insurer at such time and in such amounts as would have been due absence such prepayment by the Sports Authority unless the 2020 Insurer chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the 2020 Insurer without appropriate consent. The 2020 Insurer may direct and must consent to any remedies and the 2020 Insurer's consent may be required in connection with amendments to the Indenture.

In the event the 2020 Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Series 2020 Bonds are payable solely from the moneys received pursuant to the Indenture. In the event the Indenture becomes obligated to make payments with respect to the Series 2020 Bonds, no assurance is given that such event will not adversely affect the market price of the Series 2020 Bonds or the marketability (liquidity) for the Series 2020 Bonds.

The long-term ratings on the Series 2020 Bonds are dependent in part on the financial strength of the 2020 Insurer and its claim paying ability. The 2020 Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the 2020 Insurer and of the ratings on the Series 2020 Bonds insured by the 2020 Insurer will not be subject to downgrade and such event could adversely affect the market price of the Series 2020 Bonds or the marketability (liquidity) for the Series 2020 Bonds. See "RATINGS"

The obligations of the 2020 Insurer are contractual obligations and in an event of default by the 2020 Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

Neither the Sports Authority or Underwriters have made independent investigation into the claims paying ability of the 2020 Insurer and no assurance or representation regarding the financial strength or projected financial strength of the 2020 Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the Sports Authority to pay principal and interest on the Bonds and the claims paying ability of the 2020 Insurer, particularly over the life of the investment. See "RATINGS" and "BOND INSURANCE" herein for further information provided by the Series 2020 Bonds and the Policy, which includes further instructions for obtaining current financial information concerning the Series 2020 Bonds.

Ratings

Moody's and S&P have issued underlying long-term ratings on the Series 2020 Bonds. Moody's and S&P also are expected to issue insured ratings on the Series 2020 Bonds based upon the issuance of the Policy by AGM at the time of delivery of the Series 2020 Bonds. See "BOND INSURANCE" and "RATINGS." There is no assurance that the ratings of the Series 2020 Bonds will be maintained for any given period of time or that such ratings will not be revised downward, suspended or withdrawn entirely by such rating agencies, if in their sole judgment, circumstances so warrant. Any such downward revision, suspension or withdrawal of such ratings may have an adverse effect on the market price of the Series 2020 Bonds. The Sports Authority has no obligation to maintain the ratings or to oppose any revisions or withdrawals.

Limited Obligations

The Series 2020 Bonds are special limited obligations of the Sports Authority that, together with the Outstanding Senior Lien, Second Lien, Junior Lien and Third Lien Bonds and any Additional Senior Lien, Second Lien, Junior Lien and Third Lien Bonds, are payable from and secured by a lien on the Trust Estate created under the Indenture, as described in this Official Statement. THE SERIES 2020 BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE SPORTS AUTHORITY AND ARE NOT OBLIGATIONS OF THE COUNTY, THE CITY, THE STATE OF TEXAS OR ANY OTHER POLITICAL SUBDIVISION THEREOF. EXCEPT FOR THE LIMITED SPECIAL TAX REVENUES INCLUDED WITHIN REVENUES, THE OWNERS OF THE SERIES 2020 BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT THEREOF OUT OF ANY FUNDS RAISED OR TO BE RAISED BY TAXATION. THE SPORTS AUTHORITY HAS NO AD VALOREM

TAXING POWER. See “SECURITY FOR THE SERIES 2020 BONDS — Limited Obligations” and “Trust Estate.”

Other than the pledge of the Trust Estate, the Sports Authority has not mortgaged, assigned or pledged any interest in any real or personal property, improvements or other physical property of the Sports Authority. See “— Limitations and Enforceability of Remedies; Bankruptcy.”

Limitation and Enforceability of Remedies; Bankruptcy

Remedies available to the Trustee in the event of a default by the Sports Authority in one or more of its obligations under the Indenture are limited. Although the Indenture provides that the Trustee may obtain a writ of mandamus requiring performance of such obligations, such remedy must be exercised upon each default and may prove time-consuming, costly and difficult to enforce. The Indenture does not provide for acceleration of maturity of the Series 2020 Bonds to protect the interest of the Owners or any other additional remedy in the event of a default by the Sports Authority and consequently, the remedy of mandamus may have to be invoked. The Series 2020 Bonds are not secured by a mortgage or deed of trust that would allow the Trustee (or any Owner) to foreclose on any physical property of the Sports Authority to pay the principal of and interest on the Series 2020 Bonds or any judgment obtained against the Sports Authority.

Chapter 1371, Texas Government Code, as amended (“Chapter 1371”), which pertains to the issuance of public securities by issuers such as the Sports Authority, permits the Sports Authority, in the proceedings authorizing the issuance of the Series 2020 Bonds, to waive sovereign immunity for the purpose of adjudicating a claim to enforce the same or for damages for their breach. The Sports Authority has waived the defense of sovereign immunity for the benefit of the Owners, for the purpose of adjudicating certain claims with respect to the Series 2020 Bonds and certain Credit Agreements entered into with the 2020 Insurer. Accordingly, the Trustee could seek a monetary judgment against the Sports Authority if a default occurred in the payment of principal of and interest on the Series 2020 Bonds or with respect to a breach of covenants contained in the Indenture. No assurance can be given regarding the enforceability of the Sports Authority’s waiver of sovereign immunity or that a mandamus or other legal action to enforce a default under the Indenture would be successful.

With respect to Bonds for which National and AGM have provided a Credit Facility, pursuant to and subject to the terms of the Indenture, certain actions, consents, waivers or rights which may be exercised by the Owner of any such Bond shall be exercised by National or AGM, as applicable, as though National or AGM, as applicable, were such Owner, provided that National or AGM, as applicable, is not in default on its payment obligations under any Credit Facility. See “SECURITY FOR THE SERIES 2020 BONDS — Default Provisions and Remedies — Credit Providers’ Right to Direct Remedies.”

The enforceability of the rights and remedies of Owners may be further limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the Sports Authority. The Sports Authority is specifically authorized by Texas law to be a debtor under Chapter 9 of the United States Bankruptcy Code (“Chapter 9”) and is therefore eligible to seek relief from its creditors under Chapter 9. If the Sports Authority were allowed to proceed voluntarily under Chapter 9, it could file a plan for an adjustment of its debts. If such a plan were confirmed by the bankruptcy court, it could, among other things, affect Owners by reducing or eliminating the amount of indebtedness, deferring or rearranging the debt service schedule, reducing or eliminating the interest rate, modifying or abrogating collateral or security arrangements, substituting (in whole or in part) other securities, and otherwise compromising and modifying the rights and remedies of the Owners’ claims against the Sports Authority.

In the event a voluntary or involuntary bankruptcy case is filed with respect to the Astros, a bankruptcy court could determine that the Sports Authority’s agreements with the Astros for the use and occupancy of Minute Maid Park are executory contracts or unexpired leases pursuant to Section 365 of the United States Bankruptcy Code. In that event, a trustee in bankruptcy for the Astros as a debtor-in-possession might reject such party’s agreements. If any such agreement were determined to be an unexpired lease of non-residential real property, the amount of any corresponding claim would be limited to the rent payable under such agreement (without acceleration) for the greater of one year or 15% of the remaining term of such agreement, but not to exceed three years, following the earlier of (i) the date the bankruptcy petition was filed, and (ii) the date on which the Sports

Authority repossessed, or the Astros surrendered the leased property, plus any unpaid rentals (without acceleration) on the earlier of such dates.

The opinions of Co-Bond Counsel will note that its opinions relative to the enforceability of the Series 2020 Bonds and the Indenture are limited by laws applicable to the Sports Authority relating to bankruptcy, reorganization and other similar matters affecting creditors' rights, and by general principles of equity which permit the exercise of judicial discretion. See "APPENDIX E — FORMS OF CO-BOND COUNSEL'S OPINIONS."

Future and Proposed Legislation

The Texas Legislature will convene its Regular Session of the 87th Legislature in January, 2021. The Sports Authority makes no representations or predictions concerning the substance or effect of any legislation that may be proposed and ultimately passed in such Regular Session or any special session that may convene after the end of the Regular Session, or how any such legislation would affect the Revenues or the Astros Payments or the financial condition or operations of the Sports Authority.

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Series 2020A Bonds under Federal or state law and could affect the market price or marketability of the Series 2020A Bonds. Any such legislation, action or decision could limit the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. The likelihood of any such legislation, action or decision being enacted cannot be predicted. Prospective purchasers of the Series 2020A Bonds should consult their own tax advisors regarding the foregoing matters. See "TAX MATTERS — TAX-EXEMPT BONDS" herein.

Information Technology and Cybersecurity

The Sports Authority depends upon information and computing technology to conduct general business operations. In addition, the Sports Authority is dependent on local governments for the collection of Revenues. Technology systems may be subject to disruptions or security breaches that could materially disrupt the Sports Authority or local governments operations, cause reputational damage and/or give rise to losses or legal liability. The Sports Authority monitors these threats, however, no assurance can be given that the Sports Authority will fully prevent potential business continuity or cybersecurity risks arising from events wholly or partially beyond the Sports Authority's control, including electrical telecommunications outages, natural disasters, or cyber-attacks, or larger scale political events, including terrorist attacks. Any such occurrence could materially and adversely affect the Sports Authority's operations and reputation.

Severe Weather Events

The Sports Authority is located near the Texas Gulf Coast. Land located in this area is susceptible to high winds, heavy rain and flooding caused by hurricanes, tropical storms, and other tropical disturbances. The greater Houston area has experienced four storms exceeding a 0.2% probability (i.e. "500-year flood" event) since 2015. Several of these storms, including Hurricane Harvey, resulted in damages to residential and commercial properties in the Houston area. Such weather events can potentially impact sports events in the Houston area.

Exposure to Oil and Gas Industry

Recent declines in oil prices in the United States and globally may lead to adverse conditions in the oil and gas industry. Such adverse conditions may result in reduced revenues, declines in capital and operating expenditures, business failures, and the layoff of workers within the oil and gas industry. In the past, the greater Houston area has been affected by adverse conditions in the oil and gas industry, and adverse conditions in the oil and gas industry and spillover effects into other industries could adversely impact the Houston area and lead to a decline in attendance at sporting events.

BOND INSURANCE

The following information has been obtained from Assured Guaranty Municipal Corp. ("AGM" or the "2020 Insurer") for use in this Official Statement. The Sports Authority, the Financial Advisor to the Sports

Authority and the Underwriters do not make any representations as to the completeness or accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

Bond Insurance Policy

Concurrently with the issuance of the Series 2020 Bonds, Assured Guaranty Municipal Corp. ("AGM") will issue separate Municipal Bond Insurance Policy for the Series 2020 Bonds (each a "Policy" and collectively, the "Policies"). The Policies guarantee the scheduled payment of principal of and interest on the Series 2020 Bonds when due as set forth in the form of the Policy included as an appendix to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Assured Guaranty Municipal Corp.

AGM is a New York domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO". AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and international public finance (including infrastructure) and structured finance markets and, as of October 1, 2019, asset management services. Neither AGL nor any of its shareholders or affiliates, other than AGM, is obligated to pay any debts of AGM or any claims under any insurance policy issued by AGM.

AGM's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A2" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AGM should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AGM in its sole discretion. In addition, the rating agencies may at any time change AGM's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AGM. AGM only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AGM on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings

On July 16, 2020, S&P announced it had affirmed AGM's financial strength rating of "AA" (stable outlook). AGM can give no assurance as to any further ratings action that S&P may take.

On December 19, 2019, KBRA announced it had affirmed AGM's insurance financial strength rating of "AA+" (stable outlook). AGM can give no assurance as to any further ratings action that KBRA may take.

On August 13, 2019, Moody's announced it had affirmed AGM's insurance financial strength rating of "A2" (stable outlook). AGM can give no assurance as to any further ratings action that Moody's may take.

For more information regarding AGM's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2019.

Capitalization of AGM

At June 30, 2020:

- The policyholders' surplus of AGM was approximately \$2,667 million.
- The contingency reserves of AGM and its indirect subsidiary Municipal Assurance Corp. ("MAC") (as described below) were approximately \$1,018 million. Such amount includes 100% of AGM's contingency reserve and 60.7% of MAC's contingency reserve.
- The net unearned premium reserves and net deferred ceding commission income of AGM and its subsidiaries (as described below) were approximately \$2,048 million. Such amount includes (i) 100% of the net unearned premium reserve and deferred ceding commission income of AGM, (ii) the net unearned premium reserves and net deferred ceding commissions of AGM's wholly owned subsidiaries Assured Guaranty (Europe) plc ("AGE UK") and Assured Guaranty (Europe) SA ("AGE SA"), and (iii) 60.7% of the net unearned premium reserve of MAC.

The policyholders' surplus of AGM and the contingency reserves, net unearned premium reserves and deferred ceding commission income of AGM and MAC were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGE UK and AGE SA were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AGM are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

- (i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2019 (filed by AGL with the SEC on February 28, 2020);
- (ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 (filed by AGL with the SEC on May 8, 2020); and
- (iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2020 (filed by AGL with the SEC on August 7, 2020).

All information relating to AGM included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at <http://www.sec.gov>, at AGL's website at <http://www.assuredguaranty.com>, or will be provided upon request to Assured Guaranty Municipal Corp.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AGM included herein under the caption "BOND INSURANCE" or included in a document incorporated by reference herein (collectively, the "AGM Information") shall be modified or superseded to the extent that any subsequently included AGM Information (either directly or through incorporation by reference) modifies or supersedes such previously included AGM Information. Any AGM Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AGM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "BOND INSURANCE".

DEBT SERVICE RESERVE ACCOUNT CREDIT FACILITIES

Senior Lien Debt Service Reserve Account Credit Facilities

The Twenty-Eight Supplemental Indenture establishes a Debt Service Reserve Requirement for the Series 2020A Bonds in the amount of \$_____, which will be satisfied by the purchase of a Debt Service Reserve Account Credit Facility from the 2020 Insurer. The Twenty-Ninth Supplemental Indenture establishes a Debt Service Reserve Requirement for the Series 2020B Bonds in the amount of \$_____, which will be satisfied by the purchase of a Debt Service Reserve Account Credit Facility from the 2020 Insurer. Such Debt Service Reserve Account Credit Facilities will expire on the date of the final maturity for the applicable series of bonds. See - "SECURITY FOR THE SERIES 2020 BONDS — Debt Service Reserve Requirements."

The Series 2001A Bonds Debt Service Reserve Requirement is satisfied by a Debt Service Reserve Account Credit Facility from AGM in the amount of \$19,031,829.55.

The available amount of the Debt Service Reserve Account Credit Facilities is the initial face amount of each such Debt Service Reserve Account Credit Facility, less the amount of any previous deposits by AGM with the Trustee which have not been reimbursed by the Sports Authority. Pursuant to the respective Supplemental Indentures, the Sports Authority is required to reimburse AGM, within one year of any deposit, the amount of such deposit made by AGM with the Trustee under any Debt Service Reserve Account Credit Facility. Such reimbursement shall be made from the Trust Estate subject to the priority of payment provisions with respect thereto set forth under the Indenture. The Trustee is required to reimburse AGM, with interest, out of funds available under the Indenture, until the face amount of a Debt Service Reserve Account Credit Facility is reinstated. The Debt Service Reserve Account Credit Facilities are held by the Trustee in the Senior Lien Debt Service Reserve Account and are provided as an alternative to the Sports Authority depositing funds equal to the Reserve Requirement for Senior Lien Bonds.

The Debt Service Reserve Requirement for the Series 2001G Bonds was funded with a cash deposit.

Second Lien Debt Service Reserve Account Credit Facilities

No Debt Service Reserve Account Credit Facility is being provided for the Series 2020C Bonds. As described in "SECURITY FOR THE SERIES 2020 BONDS — Debt Service Reserve Requirements — Second Lien Bonds," the Thirtieth Supplemental Indenture establishes a Debt Service Reserve Requirement with respect to the Series 2020C Bonds in the amount of \$_____ that will be fully funded with a cash deposit into the applicable Subaccount of the Second Lien Debt Service Reserve Account from a portion of the proceeds of the Series 2020C Bonds. The amount to be deposited in such Subaccount of the Second Lien Debt Service Reserve Account is not pledged to any Bonds other than the Series 2020C Bonds.

There is no Debt Service Reserve Account Credit Facility for the Series 2014C Bonds. The Debt Service Reserve Requirement with respect to the Series 2014C Bonds was fully funded with a cash deposit into the applicable Subaccount of the Second Lien Debt Service Reserve Account from a portion of the proceeds of the Series 2014C Bonds. The amount to be deposited in such Subaccount of the Second Lien Debt Service Reserve Account is not pledged to any Bonds other than the Series 2014C Bonds. With the consent of the AGM, all or a portion of money on deposit in the Second Lien Debt Service Reserve Account may also be applied to the acquisition of a Debt Service Reserve Account Credit Facility in all or a portion of the amount of the Debt Service Reserve Requirement for the Series 2014C Bonds.

Junior Lien Debt Service Reserve Account Credit Facilities

There currently are no Junior Lien Debt Service Reserve Account Credit Facilities for the Junior Lien Bonds. Debt Service Reserve Requirement with respect to the Series 2001H Bonds was satisfied by the deposit of cash in the amount of \$13,000,000 at the time of delivery of the Series 2001H Bonds. The amounts on deposit with respect to the Series 2001H Bonds are not pledged to the Series 2020 Bonds.

Third Lien Debt Service Reserve Account

As of the date hereof, the Series 2004A-3 Bonds constitute the only Outstanding Third Lien Bonds. As described in "SECURITY FOR THE SERIES 2020 BONDS — Debt Service Reserve Requirements — Third Lien Bonds," the Debt Service Reserve Requirement for the Series 2004A-3 Bonds was satisfied by the deposit of cash at the time of delivery thereof into the Series 2004A Debt Service Reserve Subaccount. Amounts in the Series 2004A Debt Service Reserve Subaccount will be applied to pay only principal of and interest on the Series 2004A-3 Bonds pursuant to the Indenture. With the consent of National, all or a portion of money on deposit in the Series 2004A Debt Service Reserve Subaccount may also be applied to the acquisition of a Debt Service Reserve Account Credit Facility in all or a portion of the amount of the Debt Service Reserve Requirement for the Series 2004A-3 Bonds.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

PRO FORMA SPORTS AUTHORITY DEBT SERVICE SCHEDULE ⁽¹⁾

	Senior Lien					Second Lien			Junior Lien	Third Lien	Total Debt Service
	Series 2001A Debt Service	Series 2001G Debt Service	Series 2001AA Debt Service	Series 2020 Senior Lien Debt Service ⁽¹⁾	Total Senior Lien Debt Service	Series 2014C Debt Service	Series 2020C Debt Service ⁽²⁾	Total Second Lien Debt Service	Series 2001H Debt Service	Series 2004A Debt Service	
12/31/2020	4,310,000	-	33,017,750	-	37,327,750	5,962,375	-	5,962,375	65,000	-	43,355,125
12/31/2021	-	-	-	3,403,587	3,403,587	-	1,163,714	1,163,714	670,000	-	5,237,301
12/31/2022	-	-	6,110,000	3,133,738	9,243,738	-	1,071,450	1,071,450	1,285,000	-	11,600,188
12/31/2023	-	-	38,227,000	3,133,738	41,360,738	6,121,750	1,071,450	7,193,200	1,095,000	-	52,645,938
12/31/2024	-	-	38,225,000	3,133,738	41,358,738	6,121,250	1,071,450	7,192,700	14,110,000	-	62,661,438
12/31/2025	-	-	38,226,000	3,133,738	41,359,738	6,122,250	1,071,450	7,193,700	15,995,000	-	64,548,438
12/31/2026	-	-	38,226,750	3,133,738	41,360,488	6,119,250	1,071,450	7,190,700	17,935,000	-	66,486,188
12/31/2027	-	-	38,229,000	3,133,738	41,362,738	6,117,000	1,071,450	7,188,450	19,935,000	-	68,486,188
12/31/2028	-	-	38,229,250	3,133,738	41,362,988	6,115,000	1,071,450	7,186,450	21,995,000	-	70,544,438
12/31/2029	-	-	38,229,000	3,133,738	41,362,738	6,117,750	1,071,450	7,189,200	24,115,000	-	72,666,938
12/31/2030	-	-	38,229,500	3,133,738	41,363,238	6,114,500	1,071,450	7,185,950	22,900,000	-	70,649,188
12/31/2031	34,891,211	-	3,336,750	3,133,738	41,361,698	6,120,000	1,071,450	7,191,450	12,570,000	10,465,000	71,558,148
12/31/2032	35,237,604	20,000	2,971,250	3,133,738	41,362,589	6,118,250	1,071,450	7,189,700	11,090,000	14,590,000	74,232,289
12/31/2033	35,591,547	30,000	2,604,500	3,133,738	41,359,785	6,119,000	1,071,450	7,190,450	5,175,000	22,795,000	76,520,235
12/31/2034	35,945,000	40,000	2,242,250	3,133,738	41,360,988	6,121,500	1,071,450	7,192,950	7,210,000	21,010,000	76,773,938
12/31/2035	36,305,681	45,000	1,250,000	3,133,738	40,734,418	-	4,681,450	4,681,450	9,500,000	24,525,000	79,440,868
12/31/2036	36,669,573	60,000	1,250,000	3,133,738	41,113,310	-	5,154,000	5,154,000	11,540,000	23,075,000	80,882,310
12/31/2037	36,901,296	75,000	1,250,000	3,133,738	41,360,034	-	4,867,975	4,867,975	14,100,000	20,120,000	80,448,009
12/31/2038	36,883,000	95,000	1,250,000	3,133,738	41,363,738	-	4,581,225	4,581,225	16,420,000	17,390,000	79,754,963
12/31/2039	36,864,854	115,000	1,250,000	3,133,738	41,363,591	-	4,288,975	4,288,975	18,950,000	14,475,000	79,077,566
12/31/2040	36,835,000	145,000	1,250,000	3,133,738	41,363,738	-	3,986,675	3,986,675	21,295,000	-	66,645,413
12/31/2041	-	25,440,000	12,790,000	3,133,738	41,363,738	-	-	-	50,790,000	-	92,153,738
12/31/2042	-	-	38,230,000	3,133,738	41,363,738	-	-	-	-	-	41,363,738
12/31/2043	-	-	38,230,000	3,133,738	41,363,738	-	-	-	-	-	41,363,738
12/31/2044	-	-	38,230,000	3,133,738	41,363,738	-	-	-	-	-	41,363,738
12/31/2045	-	-	38,230,000	3,133,738	41,363,738	-	-	-	-	-	41,363,738
12/31/2046	-	-	38,230,000	3,133,738	41,363,738	-	-	-	-	-	41,363,738
12/31/2047	-	-	38,230,000	3,133,738	41,363,738	-	-	-	-	-	41,363,738
12/31/2048	-	-	38,230,000	3,133,738	41,363,738	-	-	-	-	-	41,363,738
12/31/2049	-	-	38,230,000	3,133,738	41,363,738	-	-	-	-	-	41,363,738
12/31/2050	-	-	38,230,000	3,133,738	41,363,738	-	-	-	-	-	41,363,738
12/31/2051	-	-	38,230,000	3,133,738	41,363,738	-	-	-	-	-	41,363,738
12/31/2052	-	-	38,230,000	3,133,738	41,363,738	-	-	-	-	-	41,363,738
12/31/2053	-	-	38,225,250	3,133,738	41,358,988	-	-	-	-	-	41,358,988
12/31/2054	-	-	-	26,693,738	26,693,738	-	-	-	-	-	26,693,738
12/31/2055	-	-	-	26,697,438	26,697,438	-	-	-	-	-	26,697,438
12/31/2056	-	-	-	26,698,425	26,698,425	-	-	-	-	-	26,698,425
	366,436,762	26,065,000	835,149,250	183,772,787	1,411,423,799	79,389,875	42,652,864	122,042,739	321,140,000	168,445,000	2,021,051,538

⁽¹⁾ Preliminary, subject to change. Includes debt service on all Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds and Third Lien Bonds that will be Outstanding after giving effect to the issuance of the Series 2020 Bonds and the application of the proceeds thereof on the Date of Delivery, and therefore excludes the Refunded Obligations. The foregoing schedule also excludes the Other Obligations of the Sports Authority as described in "DESCRIPTION OF SPORTS AUTHORITY OBLIGATIONS NOT SUPPORTED BY THE TRUST ESTATE", the subordinate obligation of the Sports Authority, and any trustee fees and payments due to Credit Providers. Totals may not add due to rounding.

⁽²⁾ For the Series 2020 Bonds, debt service shown based on estimated rates for purposes of illustration.

DESCRIPTION OF SPORTS AUTHORITY OBLIGATIONS NOT SUPPORTED BY THE TRUST ESTATE

The Sports Authority also has outstanding its Taxable Revenue Refunding Bonds (NRG Stadium Project) Series 2014 (the “2014 Stadium Bonds”) and its Taxable Revenue Refunding Bonds (Toyota Center Project) Series 2014 (the “2014 Arena Bonds”). Such other obligations are not secured by or payable from the Revenues, the Astros Payments or any other part of the Trust Estate established under the Indenture.

The 2014 Stadium Bonds were issued in the original principal amount of \$69,170,000 pursuant to an indenture of trust separate and apart from the Indenture. The 2014 Stadium Bonds are secured by and payable solely from revenues attributable to NRG Stadium, including tenant lease payments from the NFL Club and the Rodeo, parking and ticket tax revenues and a rebate of local sales tax revenues from events held at NRG Stadium.

The 2014 Arena Bonds were issued in the original principal amount of \$57,540,000 pursuant to a private placement agreement. The 2014 Arena Bonds are secured by and payable solely from revenues attributable to Toyota Center, including tenant lease payments from the Houston Rockets.

The revenues pledged to the 2014 Stadium Bonds and the 2014 Arena Bonds have been adversely impacted by the Pandemic. Events at both venues have been cancelled or rescheduled, and under certain circumstances the tenants at those venues may be entitled to rent offsets or credits. It is unclear how long the Pandemic’s negative impact on such revenues will continue. The Sports Authority is evaluating the rights and obligations of the parties under the lease documents, as well as plans for managing debt service and other obligations under the financing documents for the 2014 Stadium Bonds and 2014 Arena Bonds.

For additional information regarding such other obligations, see “APPENDIX B — AUDITED FINANCIAL STATEMENTS.” See also “INFECTIOUS DISEASE OUTBREAK – COVID-19.”

AUDITED FINANCIAL STATEMENTS

The audited financial statements of the Sports Authority for the fiscal year ended December 31, 2019 are found in APPENDIX B.

The Sports Authority has not requested Belt Harris Pechacek, LLLP to reissue its audited financial statements, and Belt Harris Pechacek, LLLP has not performed any procedures in connection with this Official Statement.

MANAGEMENT AND ORGANIZATION OF SPORTS AUTHORITY

Management and Organization

The Sports Authority is governed by a board of directors (the “Board”) consisting of thirteen voting members. Six members are appointed by the City, six members are appointed by the County, and the Chair of the Board is jointly appointed by the City and the County. The names of each member of the Board and their term expiration dates are provided below. A director may be removed at any time without cause by the appointing authority or jointly with respect to the removal of the Chair.

Board Position	Name	Occupation	Appointed By	Term Expires (August 31) ⁽¹⁾
Chair	J. Kent Friedman	Attorney	City and County	2021
Vice-Chair.....	Lawrence R. Catuzzi	Business Executive	County	2020
Secretary	Dr. Laura Murillo	Business Executive	City	2021
Treasurer.....	Robert Woods	CEO of Non Profit	City	2021
Director	Cindy Clifford	Business Executive	City	2020
Director	⁽²⁾		City	2020
Director	Willie J. Alexander	Business Executive	City	2020
Director	Martye M. Kendrick	Attorney	City	2021
Director.....	Tom Sprague	Business Executive	County	2020
Director.....	Zina Garrison	Business Executive	County	2020
Director.....	Chad Burke	Business Executive	County	2021
Director.....	Bruce D. Oakley	Attorney	County	2021
Director.....	Joseph Alan Callier	Attorney	County	2021

⁽¹⁾ Sports Authority Board members serve for two-year terms and continue to serve until they are reappointed or replaced by another appointment of the City or County.

⁽²⁾ The City has nominated a replacement for this director position, but that person has not yet been confirmed by City Council.

The Board has established four standing committees, the Executive Committee, the Finance Committee, the Marketing Committee and the Building Committee, and various ad-hoc committees. Janis Burke serves as Chief Executive Officer and Tom Waggoner serves as Controller of the Sports Authority.

Biographical information concerning the officers of the Board and the Chief Executive Officer and Controller of the Sports Authority is provided below.

J. Kent Friedman, Chair. J. Kent Friedman was first appointed to a two-year term to the Board of the Sports Authority by the City in August 2003, and was jointly appointed by the City and County as Chair of the Board in August 2007, and has served as Chair of the Board since that time. Between 1968 and 1982, Mr. Friedman practiced law with the firm of Butler, Binion, Rice, Cook & Knapp. On February 1, 1982, he joined with several friends to form the firm formerly known as Mayor, Day, Caldwell & Keeton, L.L.P. Mr. Friedman was the firm's managing partner from its formation until 1992. His practice has been primarily in the corporate and tax areas, and he has represented a number of highly successful entrepreneurs. When former Mayor Bob Lanier was elected in 1992, Mr. Friedman was the Trustee of the blind trust he established to hold his assets, and for the six years Bob Lanier was the Mayor of Houston, Mr. Friedman was in charge of running his various business interests.

Mr. Friedman is President of the Mickey Leland Kibbutzim Internship Foundation, serves on the Boards of Directors of the Hermann Park Conservancy, the Harris County Precinct One Street Olympics, the Texas Bowl, and the Leo Baeck Educational Center Foundation. He is also a member of the Tulane University President's Council. Mr. Friedman is a member of the American, Texas and Houston Bar Associations, and a Fellow of both the Houston Bar Foundation and the Texas Bar Foundation.

Mr. Friedman previously served as a member of the Board of Regents of Texas Southern University and as a member of the Executive Committee of the Board of Directors of the Houston Symphony. In addition, he has served as Chairman of the Board of Hermann Park Conservancy, Co-Chairman of the Greater Houston Inner City Games, President of the Foundation for Jones Hall, President of the Southwest Region of the American Jewish Committee, and Chairman of the Community Relations Council of the Jewish Federation of Greater Houston. He has also served on the Boards of the Houston Area Women's Center, Houston Interfaith Ministries, Anti-Defamation League and Houston Proud.

The Houston Bar Association Auxiliary in 1999 presented Mr. Friedman with the Leon Jaworski Award, which is given annually to that member of the Houston Bar Association who is deemed to have made the most significant contributions to the civic and cultural life of Houston. The American Jewish Committee has awarded him the Max Nathan Award, given to a member of the Jewish community who has succeeded in both strengthening the Jewish community as well as building bridges to the larger Houston community. Mr. Friedman has also been the recipient of the Man of the Year Award from the Cystic Fibrosis Foundation's Houston Competes for the Cure, and the Spirit of Life Award from the Seven Acres Jewish Senior Care Center.

Mr. Friedman attended Tulane University, receiving a B.B.A. degree in 1966 and a LL.B. degree in 1967. In addition, he received a LL.M. degree in Taxation from Boston University in 1968.

Lawrence R. Catuzzi, Vice-Chair. Lawrence R. Catuzzi was first appointed to a two-year term to the Board of the Sports Authority by the Harris County Commissioners Court in October 1998, and has served on the Board since that time, currently as Vice Chairman.

Mr. Catuzzi is a graduate of the University of Delaware, where he earned both his undergraduate and graduate degrees. Following a graduate fellowship at the University of Delaware, he coached football at the University of Dayton, Indiana University, The Ohio State University and Williams College before switching careers. Mr. Catuzzi most recently served as a Director for Financial Security Assurance (FSA). Prior to joining FSA, he was Managing Director with Rauscher Pierce Refsnes, Inc., and before that date, as an investment banker and on the Board of Directors of Underwood, Neuhaus & Co. in Houston, and with Morgan Guaranty Trust Co. of New York in sales and trading.

Mr. Catuzzi currently serves on the Board of Directors of the Lauren Catuzzi Grandcolas Foundation, the Flight 93 Federal Advisory Commission, the Leadership Council for Texas Children's Hospital (formerly the Board of Visitors), and the Texas Bowl of Houston. He also formally served on the Board of Directors of Lakeside Country Club, the Houston Grand Opera, Naylor Industries/Insituform, the Board of Visitors of the University of Dallas, Buffalo Creek Country Club, Underwood Neuhaus Financial Corporation, and the American Diabetes Association.

In recognition of his investment banking and public finance background, Mr. Catuzzi was selected to serve as a member of the National Public Securities Association and the State of Texas Municipal Advisory Council (MAC). He is also a past chairman of the MAC.

Dr. Laura Murillo, Secretary. Dr. Laura Murillo is President and CEO of the Houston Hispanic Chamber of Commerce. With the support of the Chamber Board and Staff she has set unprecedented records, including becoming the largest Hispanic Chamber in the Country.

She also serves as the Founding President & CEO of the Chamber's Foundation, Founding Executive Producer/Host for the Chamber's Television Program on CBS KHOU and for the Chamber's Radio and TV Program on Univision. Additionally, she is the Founding Executive Producer/Host for the Chamber's Radio Program on (6) CBS Radio Stations and Telemundo Political Commentator.

She served as an Executive at Memorial Hermann-Texas Medical Center. She holds a B.A., a Masters Degree, and a Doctorate from the University of Houston, where she served as an Executive. The University of Houston bestowed its highest honor, the President's Medallion, to the Chamber and Dr. Murillo.

She has received many state, national and international honors including being named among the "Most Powerful & Influential Women in Texas" and the "Top Latino Leader Award" by the National Diversity Council, "Woman of the Year" by Success Magazine and the "International Leadership Award" by Texas Women's Empowerment Foundation.

Dr. Murillo was also included in the "Top 10 Who's Who in Business" and has been named a "Top 5 C-Suite CEO Finalist" by the Houston Business Journal. In 2014, she was honored with the "Hispanic Leadership Award" by the National Football League (NFL).

Dr. Murillo serves on the Houston BBVA Board of Directors, the University of Houston Board Of Advisors, the University of Texas MD Anderson Cancer Center Board of Visitors, the Houston Symphony's Hispanic Leadership Council, the Mayor's Hispanic Advisory Board, the Harris County-Houston Sports Authority Board of Directors, the Houston Super Bowl Host Committee and the U.S. Global Leadership Coalition's Texas Advisory Committee. In addition, she has served as a political analyst for Telemundo.

Robert Woods, M.Ed., Treasurer. Robert Woods, M.Ed., is co-founder and Chief Executive Officer of the Center for Success and Independence (TCSI), a CARF-certified, non-profit mental health and substance abuse prevention and treatment agency serving adolescents ages 12-17 since 1999. TCSI provides long-term residential treatment and intensive outpatient services to youth who are suffering from emotional distress, behavioral health issues, substance abuse, other addictive disorders, and trauma, such as abuse, neglect, abandonment and child sex trafficking.

In 2015, TCSI launched the Recreational Alternative Program (RAP), a new peer support after-school recovery program designed in partnership with Harris County Juvenile Probation and Rockwell Foundation for low-income and minority adolescents. TCSI was also named the recipient of a federal grant with Montrose Clinic for the development of pregnancy and STD prevention programs for youth, especially in the LGBT community. TCSI also provides training and clinical services to address traumatic stress disorders among juvenile justice-involved youth, with a special focus on girls and boys who are victims of domestic child sex trafficking. Mr. Woods has been successful in building partnerships for these expanded programs with generous grants from SAMHSA, the Substance Abuse and Mental Health Services Administration, Rockwell Fund, and The Simmons Foundation, among others, and is currently working with the Victims of Crime Act. In addition to his duties at the Center, Mr. Woods maintains a private practice and is sought out as a trusted advisor to organizations interested in starting residential treatment facilities and as a mentor for teens.

Mr. Woods began his former football career at Grambling State University. He was ranked as a number one punt returner in the nation as a college senior, and was ranked in the top ten for yardage and points scored. He was a world-class sprinter who was ranked among the top five fastest men in the world for two years in a row. Upon graduation, he was drafted in the fifth round of the NFL draft by the Kansas City Chiefs. He subsequently played with the Cleveland Browns, the Detroit Lions, and for three years with the Houston Oilers. Mr. Woods also played in the Canadian Football League. As a Certified Therapeutic Recreational Specialist (CTRS), he uses his experience in sports and activity to engage his patients in the therapeutic process. Mr. Woods went on to earn his M.Ed. at Texas Southern University.

Mr. Woods serves on several boards, including the Homeless Youth Network of Houston/Harris County, Network of Behavioral Health Providers, Adolescent Recovery Oriented Systems of Care (AROSC), the NFL Alumni Association, Houston Heights Association, and the advisory board for the "Generation Found" film production, a story of youths, their families and the community in the process of recovery. He has also served on the boards of the Houston Area Women's Center and Child Advocates.

He is an active volunteer with the Dan Pastorini Charity and Bum Phillips Charities and actively participates in fundraising events for these and other organizations. Mr. Woods is also a 2019 Be an Angel Honoree recipient and a proud donor of his alma mater Grambling State University's Robert Woods Scholarship.

Janis Burke, Chief Executive Officer. Janis Burke, CSEE has served as Chief Executive Officer of the Sports Authority since 2006. Ms. Burke became the third chief executive and first woman to hold the position since the inception of the Sports Authority in 1997. In addition to overseeing the bond program of the Sports Authority, under her leadership, Houston has been awarded major sporting events to include: U.S. Olympic Trials, collegiate tournaments, numerous National and World Championships, AAU Junior Olympics, and the Transplant Games of America. In addition to sitting on the Board of Directors for the Sports Events & Tourism Association, Ms. Burke has also been recognized locally by Conference USA and Rice University for her outstanding contributions and achievements as a woman in the Houston sports industry, identified by the Texas Executive Women's Association as a "Woman on the Move," and recently named one of "Houston's 50 Most Influential Women" by the Houston Business Journal.

Tom Waggoner, Controller. Tom Waggoner joined the staff of the Sports Authority as the full time Controller in 2013, prior to working with the Sports Authority on a part time, contractual basis for four years. He began his career in the Finance Department of Harris County and then worked as the Director of Finance for the Harris County Sports and Convention Corporation, the organization that manages the facilities at NRG Park. The Sports Authority issued bonds for the construction of Reliant Stadium, now NRG Stadium, in 2001, and Tom has worked with the flow of funds for those bonds since they were issued.

Phil Ochoa, Director of Finance & Treasury. Phil Ochoa joined the staff of the Sports Authority as the full time Director of Finance in February of 2018, prior to working with the Sports Authority on a contractual basis for two years. He began his career as an auditor in the Auditor's office of Harris County. He also spent three years working for the Harris County Purchasing department and the Harris County Budget office as an investment officer. After his years with Harris County Phil entered the oil and gas corporate sector where he worked as an International accountant, Accounting Manager for LATAM region, corporate Treasury Risk Manager, assistant Treasurer and then Corporate Treasurer.

Budgeting and Operations

The Sports Authority has established its fiscal year to begin on January 1 and to end on December 31 of each calendar year. The Sports Authority's annual operating budget will be used to fund operating and maintenance expenses of the Sports Authority to the extent funding is available from the Trust Estate. Pursuant to the terms of the Indenture, funding of the Annual Operating Budget is subordinated to the debt service on Senior Lien Bonds, Second Lien Bonds and Junior Lien Bonds. See "SECURITY FOR THE SERIES 2020 BONDS — Flow of Funds for Revenues" and "Flow of Funds for Astros Payments." Due to the events relating to the 2001 Variable Rate Bonds and the related Swap Agreements (all as described in "PURPOSE AND PLAN OF FINANCE — Purpose and Background"), the Sports Authority has not received any funds from the Trust Estate for its operating and maintenance expenses since November 2009. The Sports Authority has been funding such expenses since such time from existing funds on deposit in the General and Administrative Account and other available funds. The Sports Authority's Annual Operating Budget for fiscal year 2020 is summarized below.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Schedule 4 — Sports Authority 2020 Budget⁽¹⁾**2020 Adopted Budget - General Fund****REVENUES⁽²⁾**

Vehicle Rental Tax Revenues	\$24,168,197
Hotel Occupancy Tax Revenues	28,344,786
Rent & Royalty Income — Astros Payments ⁽³⁾	8,100,000
Guaranteed Payments — Texans	4,010,000
Stadium Revenues — NFL, Governmental & Rodeo	10,124,378
Rental Income — Rockets	8,500,000
Investment Income	2,000,000
Events: Sponsorships/Contributions/Reimb	2,909,366
Miscellaneous Revenues (Dynamo, Rent and Other)	101,692

Total Revenues \$88,258,419

GENERAL AND ADMINISTRATIVE EXPENSES

Professional Fees	\$ 700,000
Personnel - Salary	1,772,867
Personnel — Benefits	555,000
Office Rent	373,000
Office Expenses	180,000
Insurance - Office/Board	65,000
Board Expense/Retreat	8,211
Board Task Force Travel - Stadium Site Visits	10,000
Community Relations	35,000
Marketing & Sports Events (travel, sales efforts, etc.)	820,000
Advertising & PR	15,000
Training	15,000
Contractual Obligation (Property Taxes)	240,570
Event Memberships & Subscriptions	2,000

Total General & Administrative Expenses⁽⁴⁾ \$4,791,648

Excess of Revenues over Expenditures \$83,466,771

⁽¹⁾ The 2020 Budget was adopted prior to COVID-19. The next budget for 2021 will be presented to the Sports Authority's Board for consideration and approval in November 2020.

⁽²⁾ The only revenues shown in the foregoing schedule that are pledged as part of the Trust Estate are the receipts from the Hotel Occupancy Tax, the Vehicle Rental Tax and the Astros Payments. See "SECURITY FOR THE SERIES 2020 BONDS" and "DESCRIPTION OF PLEDGED REVENUES." ⁽³⁾ Such amount is comprised of (i) the Astros Payments (consisting of the annual payments of \$3,650,000 as rent and \$1,200,000 as Royalty Payments), and (ii) \$3,250,000 payable by the Astros for deposit into the Asset Renewal and Replacement Fund. The amount payable for deposit into the Asset Renewal and Replacement Fund is not pledged to, or otherwise available to pay debt service on, any Senior Lien, Second Lien, Junior Lien or Third Lien Bonds, including the Series 2020 Bonds. See "DESCRIPTION OF PLEDGED REVENUES — Astros Payments," "— Current Status of Astros Payments," and "— Agreements Relating to Minute Maid Park."

⁽⁴⁾ See paragraph G. under "SECURITY FOR THE SERIES 2020 BONDS — Flow of Funds for Revenues" for funding of the Sports Authority's Annual Budgeted General and Administrative Amount from Revenues.

LITIGATION

There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body known to the Sports Authority to be pending or threatened against the Sports Authority wherein an unfavorable decision, ruling or finding would adversely affect (i) the title to office of any member or officer of the Sports Authority or any power of the Sports Authority material to the authorization and issuance of the Series 2020 Bonds, or (ii) the validity of the proceedings taken for the adoption, authorization, execution, delivery and performance by the Sports Authority of, or the validity or enforceability of, the Series 2020 Bonds.

INVESTMENT AUTHORITY AND INVESTMENT PRACTICES OF THE SPORTS AUTHORITY

The Sports Authority invests its investable funds in investments authorized by State law in accordance with investment policies approved by the Sports Authority. **Both State law and the Sports Authority's investment policies are subject to change.**

Legal Investments

Under State law, the Sports Authority is authorized to invest in (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks; (2) direct obligations of the State or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States; (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "A" or its equivalent; (6) bonds issued, assumed or guaranteed by the State of Israel; (7) interest-bearing banking deposits that are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, or the National Credit Union Share Insurance Fund or its successor; (8) interest-bearing banking deposits other than those described by clause (7) if (A) the funds invested in the banking deposits are invested through: (i) a broker with a main office or branch office in this State that the Sports Authority selects from a list the governing body of the Sports Authority or designated investment committee of the Sports Authority adopts as required by Section 2256.025, Texas Government Code; or (ii) a depository institution with a main office or branch office in the State that the Sports Authority selects; (B) the broker or depository institution selected as described by (A) above arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for the Sports Authority's account; (C) the full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and (D) the Sports Authority appoints as the Sports Authority's custodian of the banking deposits issued for the Sports Authority's account: (i) the depository institution selected as described by (A) above; (ii) an entity described by Section 2257.041(d), Texas Government Code; or (iii) a clearing broker dealer registered with the SEC and operating under SEC Rule 15c3-3; (9) (i) certificates of deposit or share certificates meeting the requirements of Chapter 2256, Texas Government Code (the "Public Funds Investment Act"), that are issued by an institution that has its main office or a branch office in the State and are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, or their respective successors, and are secured as to principal by obligations described in clauses (1) through (8) or in any other manner and provided for by law for Sports Authority deposits, or (ii) certificates of deposits where (a) the funds are invested by the Sports Authority through (A) a broker that has its main office or a branch office in the State and is selected from a list adopted by the Sports Authority as required by law, or (B) a depository institution that has its main office or branch office in the State that is selected by the Sports Authority, (b) the broker or the depository institution selected by the Sports Authority arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the Sports Authority, (c) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States, and (d) the Sports Authority appoints the depository institution selected under (a) above, a custodian as described by Section 2257.041(d), Texas Government Code, or a clearing broker-dealer registered with the SEC and operating pursuant to SEC Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the Sports Authority with respect to the certificates of deposit; (10) fully collateralized repurchase agreements as defined in the Public Funds Investment Act, that have a defined termination date, are secured by a combination of cash and obligations described in clauses (1) or (13) in this paragraph, require the securities being purchased by the Sports Authority or cash held by the Sports Authority to be pledged to the Sports Authority, held in the Sports Authority's name, and deposited at the time the investment is made with the Sports Authority or with a third party selected and approved by the Sports Authority, and are placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State; (11) securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (8) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than "A" or its equivalent or (c) cash invested in obligations described in clauses (1) through (8) above, clauses (13) through (15) below, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the Sports Authority, held in the Sports Authority's name and deposited at the time the investment is made with the Sports Authority or a third party designated by the Sports Authority; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State; and (iv) the agreement to lend securities has a term of one year or less; (12) certain bankers' acceptances with stated maturity of 270 days or less, if the short-term obligations of the accepting bank or its parent are rated not less than "A-1" or "P-1" or the equivalent by at least one nationally recognized credit rating agency; (13) commercial paper with a stated maturity of 365 days or less that is rated not less than "A-1" or "P-1" or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a United States or state bank; (14) no-load money market mutual funds registered with and regulated by the SEC that provide the Sports Authority with a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of

1940 and that comply with federal SEC Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.); and (15) no-load mutual funds registered with the SEC that have an average weighted maturity of less than two years, and have either (a) a duration of one year or more and invest exclusively in obligations described in under this heading, or (b) a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities. In addition, bond proceeds may be invested in guaranteed investment contracts that have a defined termination date and are secured by obligations, including letters of credit, of the United States or its agencies and instrumentalities, other than the prohibited obligations described below, in an amount at least equal to the amount of bond proceeds invested under such contract.

The Sports Authority may enter into securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (8) above, other than the prohibited obligations described below, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than A or its equivalent or (c) cash invested in obligations described in clauses (1) through (8) above, clauses (13) through (15) above, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the Sports Authority, held in the Sports Authority's name and deposited at the time the investment is made with the Sports Authority or a third party designated by the Sports Authority; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State; and (iv) the agreement to lend securities has a term of one year or less.

The Sports Authority may invest in such obligations directly or through government investment pools that invest solely in such obligations provided that the pools are rated no lower than "AAA" or "AAAm" or an equivalent by at least one nationally recognized rating service. The Sports Authority may also contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control for a term up to two years, but the Sports Authority retains ultimate responsibility as fiduciary of its assets. In order to renew or extend such a contract, the Sports Authority must do so by order, ordinance, or resolution.

State law specifically prohibits the Sports Authority from investing in: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity of greater than 10 years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Investment Policies

Under State law, the Sports Authority is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity; that address investment diversification, yield, maturity, and the quality and capability of investment management; that include a list of authorized investments for Sports Authority funds, the maximum allowable stated maturity of any individual investment and the maximum average dollar-weighted maturity allowed for pooled fund groups; methods to monitor the market price of investments acquired with public funds; a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis; and procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with State law. All Sports Authority funds must be invested consistent with a formally adopted investment strategy that specifically addresses each fund's investment. Each investment strategy will describe its objectives concerning: (1) suitability of investment type, (2) preservation and safety of principal, (3) liquidity, (4) marketability of each investment, (5) diversification of the portfolio, and (6) yield.

Under State law, the Sports Authority's investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." At least quarterly the Sports Authority's investment officers must submit an investment report to the Board detailing: (1) the investment position of the Sports Authority, (2) that all investment officers jointly prepared and signed the report, (3) the beginning market value, and any additions and changes to market value, the ending value of each pooled fund group and fully accrued interest for the reporting period, (4) the book value and market value of each separately listed asset at the beginning and end of the reporting period, (5) the maturity date of each separately invested asset, (6) the account or fund or pooled fund group for which each individual investment was acquired, and (7) the compliance of the investment portfolio as it relates to: (a) adopted investment strategies and (b) State law. No person may invest Sports Authority funds without express written authorization from the Sports Authority.

Under State law, the Sports Authority is additionally required to: (1) annually review its adopted policies and strategies; (2) require any investment officers with personal business relationships or family relationships with firms seeking to sell securities to the Sports Authority to disclose the relationship and file a statement with the Texas Ethics Commission and the Sports Authority; (3) require the registered principal of firms seeking to sell securities to the Sports Authority to: (a) receive and review the Sports Authority's investment policy, (b) acknowledge that reasonable controls and procedures have been implemented to preclude

imprudent investment activities, and (c) deliver a written statement attesting to these requirements; (4) in conjunction with its annual financial audit, perform a compliance audit of the management controls on investments and adherence to the Sports Authority's investment policy; (5) restrict reverse repurchase agreements to not more than 90 days and restrict the investment of reverse repurchase agreement funds to no greater than the term of the reverse repurchase agreement; (6) restrict the investment in no-load mutual funds in the aggregate to no more than 15% of the Sports Authority's monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service; and (7) provide specific investment training for the investment officer.

The Sports Authority has adopted an investment policy that meets the foregoing requirements of State law. Copies of the Sports Authority's investment policy are available for examination at the offices of the Sports Authority. See "APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE."

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Series 2020 Bonds are subject to the unqualified approval of the Attorney General of the State of Texas and the approval of certain legal matters by Co-Bond Counsel. Co-Bond Counsel has been engaged by the Sports Authority and only represents the Sports Authority in connection with the issuance of the Series 2020 Bonds. Co-Bond Counsel was not requested to participate and did not take part in the preparation of this Official Statement except as hereinafter noted, and such firm did not assume any responsibility with respect thereto or undertaken independently to verify any of the information contained herein, except that, in its capacity as Co-Bond Counsel, such firm reviewed the information under the captions "INTRODUCTION," "PURPOSE AND PLAN OF FINANCE — Background, Tender and Purpose — Purpose," "— Refunded Obligations," "DESCRIPTION OF THE SERIES 2020 BONDS" "DESCRIPTION OF PLEDGED REVENUES — Hotel Occupancy Tax," (but excluding the third paragraph), "DESCRIPTION OF PLEDGED REVENUES — Vehicle Rental Tax," "SECURITY FOR THE SERIES 2020 BONDS" (except for "—Flow of Funds for Revenues — Diagram" and "—Flow of Funds for Astros Payments — Diagram"), "INVESTMENT CONSIDERATIONS — Limited Obligations" (but excluding the second paragraph of such caption), "INVESTMENT CONSIDERATIONS — Limitation and Enforceability of Remedies; Bankruptcy" (but excluding the fourth and fifth paragraphs of such caption), "LEGAL MATTERS" (as it relates to the opinion of Co-Bond Counsel and their review of this Official Statement), "TAX MATTERS — TAX-EXEMPT BONDS," "TAX MATTERS — TAXABLE BONDS" and "CONTINUING DISCLOSURE OF INFORMATION" (except for the information under the caption "Compliance with Prior Undertakings"), and in Appendices A, C, D and E in this Official Statement, solely to confirm that the information relating to the Series 2020 Bonds, the Indenture or the Escrow Agreements and the description of matters of law contained under such captions and Appendices are an accurate and fair description of the Series 2020 Bonds, the Indenture or the Escrow Agreements and the matters of law addressed therein and, with respect to the Series 2020 Bonds, such information conforms to the Indenture. A portion of legal fees to be paid to Co-Bond Counsel in connection with the issuance of the Series 2020 Bonds is contingent on the sale and delivery of the Series 2020 Bonds. Certain legal matters will be passed upon for the Underwriters by their counsel, Bracewell LLP, of Houston, Texas and West & Associates, L.L.P., Houston, Texas, whose legal fees are contingent on the sale and delivery of the Bonds. Certain legal matters will be passed upon for the Sports Authority by its general counsel, Hunton Andrews Kurth LLP Houston, Texas. Certain legal matters also will be passed upon for the Sports Authority by Orrick Herrington & Sutcliffe LLP, Houston, Texas and The Law Office of Wendy Montoya Cloonan, PLLC, Houston, Texas, Co-Special Disclosure Counsel.

The various legal opinions to be delivered concurrently with the delivery of the Series 2020 Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering legal opinions, the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction, nor does the rendering of opinions guarantee the outcome of any legal dispute that may arise out of the transaction.

Hunton Andrews Kurth LLP, Norton Rose Fulbright US LLP, Bracewell LLP, Orrick, Herrington & Sutcliffe LLP and West & Associates, L.L.P. represent the Underwriters from time to time on matters unrelated to the Series 2020 Bonds. Bracewell LLP also has represented the Rodeo on matters relating to NRG Stadium and certain agreements between the Rodeo and the Sports Authority. Bruce D. Oakley, one of the members of the Sports Authority's Board, is a partner in the Houston office of the law firm of Hogan Lovells. Such law firm represents AGM in connection with various matters. Mr. Oakley is not directly involved in the representation of AGM and Hogan Lovells does not represent AGM as to the Series 2020 Bonds.

TAX MATTERS — TAX-EXEMPT BONDS

Tax Exemption

The delivery of the Series 2020A Bonds is subject to the opinions of Co-Bond Counsel to the effect that interest on the Series 2020A Bonds for federal income tax purposes (1) will be excludable from gross income, as defined in section 61 of the Internal Revenue Code of 1986, as amended to the date of such opinions (the "Code"), pursuant to section 103 of the Code and existing regulations, published rulings, and court decisions, and (2) will not be included in computing the alternative minimum taxable income

of the owners. Forms of Co-Bond Counsel's opinions are reproduced as APPENDIX E hereto. The statutes, regulations, rulings, and court decisions on which such opinions are based are subject to change.

The Indenture provides that prior to taking certain actions the Sports Authority must have received an opinion of nationally recognized bond counsel to the effect that such action will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series 2020A Bonds (an "Opinion of Bond Counsel"). Bond Counsel will express no opinion as to the effect on the exclusion from gross income for federal income tax purposes of interest on the Series 2020A Bonds on and after taking any action under the Indenture which requires that the Sports Authority shall have received an Opinion of Bond Counsel, as such Opinion of Bond Counsel must be rendered in connection with such action and is dependent upon the occurrence of certain events in the future.

In rendering the foregoing opinions, Co-Bond Counsel will rely upon representations and certifications of the Sports Authority made in a certificate dated the date of delivery of the Series 2020A Bonds pertaining to the use, expenditure, and investment of the proceeds of the Series 2020A Bonds and will assume continuing compliance by the Sports Authority with the provisions of the Indenture and the various agreements and leases relating to the financed facilities subsequent to the issuance of the Series 2020A Bonds. The Indenture and such agreements and leases contain covenants by the Sports Authority with respect to, among other matters, the use of the proceeds of the Series 2020A Bonds and the facilities financed therewith by persons other than state or local governmental units, the manner in which the proceeds of the Series 2020A Bonds are to be invested, the periodic calculation and payment to the United States Treasury of arbitrage "profits" from the investment of proceeds, and the reporting of certain information to the United States Treasury. Failure to comply with any of these covenants may cause interest on the Series 2020A Bonds to be includable in the gross income of the owners thereof from the date of the issuance of the Series 2020A Bonds.

Co-Bond Counsels' opinions are not guarantees of a result, but represent its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the Sports Authority described above. No ruling has been sought from the Internal Revenue Service (the "IRS") with respect to the matters addressed in the opinions of Co-Bond Counsel, and Co-Bond Counsels' opinions are not binding on the IRS. The IRS has an ongoing program of auditing the tax-exempt status of the interest on tax-exempt obligations. If an audit of the Series 2020A Bonds is commenced, under current procedures the IRS is likely to treat the Sports Authority as the "taxpayer," and the owners of the Series 2020A Bonds would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Series 2020A Bonds, the Sports Authority may have different or conflicting interests from the owners of the Series 2020A Bonds. Public awareness of any future audit of the Series 2020A Bonds could adversely affect the value and liquidity of the Series 2020A Bonds during the pendency of the audit, regardless of its ultimate outcome.

Except as described above, Co-Bond Counsel expresses no other opinion with respect to any other federal, state or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Series 2020A Bonds. Prospective purchasers of the Series 2020A Bonds should be aware that the ownership of tax-exempt obligations such as the Series 2020A Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

Existing law may change to reduce or eliminate the benefit to bondholders of the exclusion of interest on the Series 2020A Bonds from gross income for federal income tax purposes. Any proposed legislation or administrative action, whether or not taken, could also affect the value and marketability of the Series 2020A Bonds. Prospective purchasers of the Series 2020A Bonds should consult with their own tax advisors with respect to any proposed or future changes in tax law.

Tax Accounting Treatment of Discount and Premium on Certain Bonds

The initial public offering price of certain Series 2020A Bonds (the "Discount Bonds") is less than the amount payable on such Series 2020A Bonds at maturity. An amount equal to the difference between the initial public offering price of a Discount Bond (assuming that a substantial amount of the Discount Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Bond. A portion of such original issue discount allocable to the holding period of such Discount Bond by the initial purchaser will, upon the disposition of such Discount Bond (including by reason of its payment at maturity), be treated as interest excludable from gross income, rather than as taxable gain, for federal income tax purposes, on the same terms and conditions as those for other interest on the Series 2020A Bonds described above under "Tax Exemption." Such interest is considered to be accrued actuarially in accordance with the constant interest method over the life of a Discount Bond, taking into account the semiannual compounding of accrued interest, at the yield to maturity on such

Discount Bond and generally will be allocated to an initial purchaser in a different amount from the amount of the payment denominated as interest actually received by the initial purchaser during the tax year.

However, such accrued interest may be required to be taken into account the amount of the branch profits tax applicable to certain foreign corporations doing business in the United States, even though there will not be a corresponding tax payment. In addition, the accrual of such interest may result in certain other collateral federal income tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Moreover, in the event of the redemption, sale or other taxable disposition of a Discount Bond by the initial owner prior to maturity, the amount realized by such owner in excess of the basis of such Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Discount Bond was held) is includable in gross income.

Owners of Discount Bonds should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Bonds. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The initial public offering price of certain Series 2020A Bonds (the "Premium Bonds") is greater than the amount payable on such Series 2020A Bonds at maturity. An amount equal to the difference between the initial public offering price of a Premium Bond (assuming that a substantial amount of the Premium Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes premium to the initial purchaser of such Premium Bonds. The basis for federal income tax purposes of a Premium Bond in the hands of such initial purchaser must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Bond. The amount of premium which is amortizable each year by an initial purchaser is determined by using such purchaser's yield to maturity.

Purchasers of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium on Premium Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

TAX MATTERS — TAXABLE BONDS

The following is a general summary of certain United States federal income tax consequences of the purchase and ownership of the Series 2020B Bonds and the Series 2020C Bonds (together, the "Taxable Bonds"). The discussion is based upon laws, Treasury Regulations, rulings and decisions now in effect, all of which are subject to change or possibly differing interpretations. No assurances can be given that future changes in the law will not alter the conclusions reached herein. The discussion below does not purport to deal with United States federal income tax consequences applicable to all categories of investors. Further, this summary does not discuss all aspects of United States federal income taxation that may be relevant to a particular investor in the Series 2020B Bonds in light of the investor's particular personal investment circumstances or to certain types of investors subject to special treatment under United States federal income tax laws (including insurance companies, tax exempt organizations, financial institutions, brokers-dealers, and persons who have hedged the risk of owning the Series 2020B Bonds). The summary is therefore limited to certain issues relating to initial investors who will hold the Series 2020B Bonds as "capital assets" within the meaning of section 1221 of the Internal Revenue Code of 1986, as amended (the "Code"), and acquire such Taxable Bonds for investment and not as a dealer or for resale. Prospective investors should note that no rulings have been or will be sought from the Internal Revenue Service (the "IRS") with respect to any of the U.S. federal income tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions.

As used herein, "U.S. Holder" means a beneficial owner of a Taxable Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). As used herein, "Non-U.S. Holder" generally means a beneficial owner of a Taxable Bond (other than a partnership) that is not a U.S. Holder. If a partnership holds Taxable Bonds, the tax treatment of such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding Taxable Bonds,

and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the Taxable Bonds (including their status as U.S. Holders or Non-U.S. Holders).

INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS IN DETERMINING THE FEDERAL, STATE, LOCAL, FOREIGN AND ANY OTHER TAX CONSEQUENCES TO THEM FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE TAXABLE BONDS.

U.S. Holders Payments of Stated Interest on the Taxable Bonds

The stated interest paid on the Taxable Bonds will be included in the gross income, as defined in section 61 of the Code, of U.S. Holders and be subject to U.S. federal income taxation when received or accrued, depending on the tax accounting method applicable to the U.S. Holders.

Original Issue Discount

If a substantial amount of the Taxable Bonds of any stated maturity is purchased at original issuance for a purchase price (the "Issue Price") that is less than their face amount by more than one quarter of one percent times the number of complete years to maturity, the Taxable Bonds of such maturity will be treated as being issued with "original issue discount." The amount of the original issue discount will equal the excess of the principal amount payable on such Taxable Bonds at maturity over its Issue Price, and the amount of the original issue discount on the Taxable Bonds will be amortized over the life of the Taxable Bonds using the "constant yield method" provided in the Treasury Regulations. As the original issue discount accrues under the constant yield method, U.S. Holders, regardless of their regular method of accounting, will be required to include such accrued amount in their gross income as interest. This can result in taxable income to U.S. Holders that exceeds actual cash distributions to the U.S. Holders in a taxable year.

The amount of the original issue discount that accrues on the Taxable Bonds each taxable year will be reported annually to the IRS and to the U.S. Holders. The portion of the original issue discount included in each beneficial owner's gross income while the U.S. Holder holds the Taxable Bonds will increase the adjusted tax basis of the Series 2020B Bonds in the hands of such U.S. Holder.

Premium

If a U.S. Holder purchases a Taxable Bond for an amount that is greater than its stated redemption price at maturity, such U.S. Holder will be considered to have purchased the Taxable Bond with "amortizable bond premium" equal in amount to such excess. A U.S. Holder may elect to amortize such premium using a constant yield method over the remaining term of the Taxable Bond and may offset interest otherwise required to be included in respect of the Taxable Bond during any taxable year by the amortized amount of such excess for the taxable year. Bond premium on a Taxable Bond held by a U.S. Holder that does not make such an election will decrease the amount of gain or increase the amount of loss otherwise recognized on the sale, exchange, redemption or retirement of a Taxable Bond. However, if the Taxable Bond may be optionally redeemed after the U.S. Holder acquires it at a price in excess of its stated redemption price at maturity, special rules would apply under the Treasury Regulations which could result in a deferral of the amortization of some bond premium until later in the term of the Taxable Bond. Any election to amortize bond premium applies to all taxable debt instruments held by the U.S. Holder on or after the first day of the first taxable year to which such election applies and may be revoked only with the consent of the IRS.

Medicare Contribution Tax

Pursuant to section 1411 of the Code, as enacted by the Health Care and Education Reconciliation Act of 2010, an additional tax is imposed on individuals beginning January 1, 2013. The additional tax is 3.8% of the lesser of (i) net investment income (defined as gross income from interest, dividends, net gain from disposition of property not used in a trade or business, and certain other listed items of gross income), or (ii) the excess of "modified adjusted gross income" of the individual over \$200,000 for unmarried individuals (\$250,000 for married couples filing a joint return and a surviving spouse). U.S. Holders of the Taxable Bonds should consult with their tax advisor concerning this additional tax, as it may apply to interest earned on the Taxable Bonds as well as gain on the sale of a Taxable Bond.

Disposition of Taxable Bonds and Market Discount

A U.S. Holder will generally recognize gain or loss on the redemption, sale or exchange of a Taxable Bond equal to the difference between the redemption or sales price (exclusive of the amount paid for accrued interest) and the U.S. Holder's adjusted tax basis in the Taxable Bonds. Generally, the U.S. Holder's adjusted tax basis in the Taxable Bonds will be the U.S. Holder's initial cost, increased by the original issue discount previously included in the U.S. Holder's income to the date of disposition. Any gain or loss generally will be capital gain or loss and will be long-term or short-term, depending on the U.S. Holder's holding period for the Taxable Bonds.

Under current law, a purchaser of a Taxable Bond who did not purchase the Taxable Bonds in the initial public offering (a "subsequent purchaser") generally will be required, on the disposition of the Taxable Bonds, to recognize as ordinary income a portion of the gain, if any, to the extent of the accrued "market discount." Market discount is the amount by which the price paid for the Taxable Bonds by a subsequent purchaser is less than the sum of Issue Price and the amount of original issue discount previously accrued on the Taxable Bonds. The Code also limits the deductibility of interest incurred by a subsequent purchaser on funds borrowed to acquire Taxable Bonds with market discount. As an alternative to the inclusion of market discount in income upon disposition, a subsequent purchaser may elect to include market discount in income currently as it accrues on all market discount instruments acquired by the subsequent purchaser in that taxable year or thereafter, in which case the interest deferral rule will not apply. The re-characterization of gain as ordinary income on a subsequent disposition of Taxable Bonds could have a material effect on the market value of the Taxable Bonds.

Legal Defeasance

If the Board elects to defease the Taxable Bonds by depositing in escrow sufficient cash and/or obligations to pay when due outstanding Taxable Bonds (a "legal defeasance"), under current tax law, a U.S. Holder may be deemed to have sold or exchanged its Taxable Bonds. In the event of such a legal defeasance, a U.S. Holder generally would recognize gain or loss in the manner described above. Ownership of the Taxable Bonds after a deemed sale or exchange as a result of a legal defeasance may have tax consequences different from those described above, and each U.S. Holder should consult its own tax advisor regarding the consequences to such beneficial owner of a legal defeasance of the Taxable Bonds.

Backup Withholding

Under section 3406 of the Code, a U.S. Holder may, under certain circumstances, be subject to "backup withholding" on payments of current or accrued interest on the Taxable Bonds. This withholding applies if such U.S. Holder: (i) fails to furnish to payor such U.S. Holder's social security number or other taxpayer identification number ("TIN"); (ii) furnishes the payor an incorrect TIN; (iii) fails to report properly interest, dividends, or other "reportable payments" as defined in the Code; or (iv) under certain circumstances, fails to provide the payor with a certified statement, signed under penalty of perjury, that the TIN provided to the payor is correct and that such U.S. Holder is not subject to backup withholding.

Backup withholding will not apply, however, with respect to payments made to certain U.S. Holders. U.S. Holders should consult their own tax advisors regarding their qualification for exemption from backup withholding and the procedures for obtaining such exemption.

Reporting of Interest Payments

Subject to certain exceptions, interest payments made to beneficial owners with respect to the Taxable Bonds will be reported to the IRS. Such information will be filed each year with the IRS on Form 1099 which will reflect the name, address, and TIN of the beneficial owner. A copy of Form 1099 will be sent to each U.S. Holder for U.S. federal income tax purposes.

Non-U.S. Holders Effectively Connected Income

If, under the Code, interest on the Taxable Bonds is effectively connected with the conduct of a trade or business within the United States by a Non-U.S. Holder, such interest will be subject to U.S. federal income tax in a similar manner as if the Taxable Bonds were held by a U.S. Holder, as described above, and in the case of Non-U.S. Holders that are corporations, interest on the Taxable Bonds also may be included in the computation of earnings and profits that are subject to a U.S. branch profits tax at a rate of up to 30%, unless an applicable tax treaty provides otherwise. Such Non-U.S. Holder will not be subject to withholding taxes, however, if it provides a properly executed Form W-8ECI to the Corporation or its paying agent, if any.

Withholding on Payments to Non-U.S. Holders

Under sections 1441 and 1442 of the Code, Non-U.S. Holders are generally subject to withholding at the rate of 30% on periodic income items arising from sources within the United States, provided such income is not effectively connected with the conduct of a United States trade or business. Assuming the interest received by the Non-U.S. Holders is not treated as effectively connected income within the meaning of section 864 of the Code, such interest will be subject to 30% withholding, or any lower rate specified in an income tax treaty, unless such income is treated as portfolio interest. Interest will be treated as portfolio interest if: (i) the Non-U.S. Holder provides a statement to the payor certifying, under penalties of perjury, that such Non-U.S. Holder is not a United States person and providing the name and address of such Non-U.S. Holder; (ii) such interest is treated as not effectively connected with the Non-U.S. Holder's United States trade or business; (iii) interest payments are not made to a person within a foreign country which the IRS has included on a list of countries having provisions inadequate to prevent United States tax evasion; (iv) interest payable with respect to the Series 2020B Bonds is not deemed contingent interest within the meaning of the portfolio debt provision; (v) such Non-U.S. Holder is not a controlled foreign corporation, within the meaning of section 957 of the Code; and (vi)

such Non-U.S. Holder is not a bank receiving interest on the Series 2020B Bonds pursuant to a loan agreement entered into in the ordinary course of the bank's trade or business.

Assuming payments on the Taxable Bonds are treated as portfolio interest within the meaning of sections 871 and 881 of the Code, then no backup withholding under sections 1441 and 1442 of the Code and no backup withholding under section 3406 of the Code is required with respect to Non-U.S. Holders or intermediaries who have furnished Form W-8BEN, Form W-8EXP or Form W-8IMY, as applicable, provided the payor does not have actual knowledge that such person is a United States person.

Disposition of the Taxable Bonds

Generally gain realized by a Non-U.S. Holder upon the sale, exchange, redemption, retirement (including pursuant to an offer by the Board or a deemed retirement due to defeasance of the Taxable Bond) or other disposition of a Taxable Bond generally will not be subject to U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States; or (ii) in the case of any gain realized by an individual Non-U.S. Holder, such holder is present in the United States for 183 days or more in the taxable year of such sale, exchange, redemption, retirement (including pursuant to an offer by the Board) or other disposition and certain other conditions are met.

Foreign Account Tax Compliance Act –U.S. Holders and Non-U.S. Holders

Sections 1471 through 1474 of the Code impose a 30% withholding tax on certain types of payments made to a foreign financial institution, unless the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain United States persons or U.S.-owned entities; annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these and other reporting requirements, or unless the foreign financial institution is otherwise exempt from those requirements. In addition, the Foreign Account Tax Compliance Act ("FATCA") imposes a 30% withholding tax on the same types of payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial United States owner. Failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on payments of interest and principal under the Taxable Bonds and sales proceeds of Taxable Bonds held by or through a foreign entity. Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

RATINGS

The Series 2020 Bonds have received underlying ratings of "___" from Standard & Poor's Global Ratings, a Standard & Poor's Financial Services LLC business ("S&P"), and "___" from Moody's Investors Service, Inc. ("Moody's"). Additionally, the Series 2020 Bonds are expected to receive insured ratings of "AA" and "A2" from S&P and Moody's, respectively, with the understanding that upon delivery of the Series 2020 Bonds, separate policies guaranteeing the scheduled payment of principal and interest on the Series 2020 Bonds when due will be issued by the 2020 Insurer.

These ratings reflect only the views of such organizations, and an explanation of the significance of such ratings may be obtained only from the rating agency furnishing such rating. There is no assurance that such ratings will be maintained for any given period of time or that such ratings will not be revised downward, suspended or withdrawn entirely by such rating agencies, if in their sole judgment, circumstances so warrant. Any such downward revision, suspension or withdrawal of such ratings may have an adverse effect on the market price of the Series 2020 Bonds. The Sports Authority has no obligation to maintain the ratings or to oppose any revisions or withdrawals. See "INVESTMENT CONSIDERATIONS — Bond Insurance" and "Ratings." See also, "BOND INSURANCE" for information regarding the bond insurance policies described above.

FINANCIAL ADVISOR

The Sports Authority has retained Masterson Advisors LLC, Houston, Texas, to serve as its financial advisor in connection with the issuance of the Series 2020 Bonds (the "Financial Advisor"). The Financial Advisor has not independently verified any of the information contained in this Official Statement and makes no guarantee as to its completeness or accuracy. A substantial portion of the Financial Advisor's fees for services rendered with respect to the sale of the Series 2020 Bonds is contingent upon the issuance and delivery of the Series 2020 Bonds. The Sports Authority may engage the Financial Advisor to perform other services. Masterson Advisors LLC serves as Computation Agent under the Indenture.

CONTINUING DISCLOSURE

In the Twenty-Eighth Supplemental Indenture, the Twenty-Ninth Supplemental Indenture and the Thirtieth Supplemental Indenture, the Sports Authority has made the following agreement for the benefit of the holders and beneficial owners of the respective series of the Series 2020 Bonds. The Sports Authority is required to observe the agreement for so long as it remains obligated to advance funds to pay the respective series of the Series 2020 Bonds. Under the agreement, the Sports Authority will be

obligated to provide certain updated financial information and operating data annually, and notice of specified events, to the Municipal Securities Rulemaking Board ("MSRB"). This information will be available to the public at no charge using the MSRB's Electronic Municipal Market Access ("EMMA") system via the MSRB's internet website, www.emma.msrb.org.

Annual Reports

The Sports Authority will provide certain updated financial information and operating data to the MSRB annually in an electronic format as prescribed by the MSRB. The information to be updated includes all quantitative financial information and operating data with respect to the Sports Authority of the general type included in this Official Statement, as follows: (1) "DESCRIPTION OF PLEDGED REVENUES — Schedule 2 — Historical Revenues," (2) "DESCRIPTION OF PLEDGED REVENUES — Schedule 3 — Top Ten HOT Taxpayers for Fiscal Year 2019," (3) "SPORTS AUTHORITY DEBT SERVICE SCHEDULE," (4) "MANAGEMENT AND ORGANIZATION OF SPORTS AUTHORITY — Schedule 4 — Sports Authority 2020 Budget," and (5) in APPENDIX B. The Sports Authority will update and provide this information to the MSRB within six months after the end of each fiscal year.

The financial information and operating data to be provided may be set forth in full in one or more documents or may be included by specific reference to any document available from the MSRB or filed with the SEC, or may be provided in any other manner consistent with Securities and Exchange Commission Rule 15c2-12 (the "Rule"). Any financial statements so to be provided shall be (1) prepared in accordance with generally accepted accounting principles currently in effect for governmental units as prescribed by the Government Accounting Standards Board, which principles are subject to change from time to time to comply with state law or regulation, and (2) audited. If audited financial statements for the Sports Authority are not available within such period, then the Sports Authority will provide unaudited financial statements for the applicable fiscal year to the MSRB, and audited financial statements, when and if audited financial statements become available."

The Sports Authority's current fiscal year end is December 31. Accordingly, it must provide updated information by June 30 in each year, unless the Sports Authority changes its fiscal year. If the Sports Authority changes its fiscal year, it will notify the MSRB of the change.

Event Notices

The Sports Authority will notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Series 2020 Bonds:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2020A Bonds or other material events affecting the tax status of the Series 2020A Bonds;
7. modifications to rights of the holders of the Series 2020A Bonds, the Series 2020B Bonds or Series 2020C Bonds, if material;
8. bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution, or sale of property securing repayment of the Series 2020A Bonds, the Series 2020B Bonds or the Series 2020C Bonds, if material;
11. rating changes;
12. bankruptcy, insolvency, receivership or similar event of the Sports Authority;
13. the consummation of a merger, consolidation, or acquisition involving the Sports Authority or the sale of all or substantially all of the assets of the Sports Authority, other than in the ordinary course of business, the entry into a definitive

agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. appointment of successor or additional Trustee or the change of name of a Trustee, if material;

15. incurrence of a Financial Obligation of the Sports Authority, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Sports Authority, any of which affect security holders, if material; and

16. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Sports Authority, any of which reflect financial difficulties.

For these purposes, (1) any event identified in paragraph 12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Sports Authority in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Sports Authority, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Sports Authority, and (2) the Sports Authority intends the words used in clauses (15) and (16) and the definition of Financial Obligation to have the meanings ascribed to them in SEC Release No. 34-83885 dated August 20, 2018.

In addition, the Sports Authority will provide timely notice to the MSRB of any failure by the Sports Authority to provide information, data, or financial statements in accordance with its agreement described above under "CONTINUING DISCLOSURE OF INFORMATION — Annual Reports." All documents provided to the MSRB will be in an electronic format as required by the MSRB or the SEC, and will be accompanied by identifying information as required by the MSRB or the SEC.

Limitations and Amendments

The Sports Authority has agreed to update information and to provide notices of specified events only as described above. The Sports Authority has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results, condition or prospects or agreed to update any information that is provided, except as described above. The Sports Authority makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Series 2020 Bonds at any future date. The Sports Authority disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement, although holders of Series 2020A Bonds, Series 2020B Bonds or Series 2020C Bonds, respectively, may seek a writ of mandamus to compel the Sports Authority to comply with its agreement.

The Sports Authority may amend its continuing disclosure agreement 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 or businesses of the Sports Authority, if the agreement, as amended, would have permitted an underwriter to purchase or sell Series 2020A Bonds, Series 2020B Bonds or Series 2020C Bonds, respectively, in the offering made hereby 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 (i) the Owners of a majority in aggregate principal amount of the outstanding Series 2020A Bonds, Series 2020B Bonds or Series 2020C Bonds, respectively, consent, or (ii) a person that is unaffiliated with the Sports Authority (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the Owners and beneficial owners of the Series 2020A Bonds, Series 2020B Bonds or the Series 2020C Bonds, respectively consent to such amendment. The Sports Authority may also repeal or amend the provisions of its continuing disclosure agreement 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, and the Sports Authority also may amend the provisions of its continuing disclosure agreement in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Series 2020A Bonds, Series 2020B Bonds or Series 2020C Bonds, respectively, in the primary offering thereof. If the Sports Authority so amend its continuing disclosure agreement, the Sports Authority will include with any amended financial information or operating data next provided in accordance with its agreement described above in "Annual Reports" 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.

UNDERWRITING

Wells Fargo Bank, National Association, as representative of the Underwriters of the Series 2020 Bonds, has agreed to purchase the Series 2020A Bonds, Series 2020B Bonds and Series 2020C Bonds from the Sports Authority at an underwriting discount of \$_____, \$_____ and \$_____, respectively, from the respective initial public offering prices therefor set

forth on pages i and ii hereof. The Underwriters will be obligated to purchase all of the Series 2020A Bonds, Series 2020B Bonds and Series 2020C Bonds, as applicable, if any of such respective obligations are purchased.

Wells Fargo Bank, National Association ("WFBNA") is serving as underwriter for the 2020A Bonds and dealer manager in connection with a tender offer for the Subject Bonds that will be funded with the proceeds of the 2020A Bonds. WFBNA will be compensated separately for serving in each capacity from the proceeds of the 2020A Bonds. WFBNA will be paid a dealer manager fee of \$_____.

The obligation of the Underwriters to purchase any series of the Series 2020 Bonds from the Sports Authority is subject to certain customary conditions to delivery, including the sale and purchase of the other two series of the Series 2020 Bonds to and by the Underwriters. The Series 2020 Bonds may be offered and sold to certain dealers and others at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriters. The Underwriters may, from time to time, perform additional services to the Sports Authority for additional compensation.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Finance Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association, acting through its Municipal Finance Group ("WFBNA"), the lead underwriter of the Bonds, has entered into an agreement (the "WFA Distribution Agreement") with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name "Wells Fargo Advisors") ("WFA"), for the distribution of certain municipal securities offerings, including the Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Bonds with WFA. WFBNA has also entered into an agreement (the "WFSLLC Distribution Agreement") with its affiliate Wells Fargo Securities, LLC ("WFSLLC"), for the distribution of municipal securities offerings, including the Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

Morgan Stanley, parent company of Morgan Stanley & Co. LLC, an underwriter of the Series 2020 Bonds, has entered into a retail distribution arrangement with its affiliate Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Series 2020 Bonds.

VERIFICATION OF MATHEMATICAL ACCURACY

Samuel Klein and Company, independent certified public accountants, in conjunction with Public Finance Partners LLC, (together, the Verification Agent") will deliver to the Sports Authority, on or before the settlement date of the Series 2020 Bonds, its verification report indicating that it has verified the mathematical accuracy of (a) the mathematical computations of the adequacy of the cash and the maturing principal of and interest on the Government Obligations, to pay, when due, the maturing principal of, and interest on, of the Refunded Obligations and (b) the mathematical computations of yield used by Co-Bond Counsel to support its opinion that interest on the Series 2020 Bonds will be excluded from gross income for federal income tax purposes.

Samuel Klein and Company, CPA's and Public Finance Partners LLC relied on the accuracy, completeness and reliability of all information provided by, and on all decisions and approvals of, the Sports Authority. In addition, Samuel Klein and Company, CPA's and Public Finance Partners LLC have relied on any information provided by the Sports Authority's retained advisors, consultants or legal counsel. "

MISCELLANEOUS

General descriptions of certain provisions of the Series 2020 Bonds, the Indenture, and other related documents are included in this Official Statement. Such summaries, descriptions and information do not purport to be comprehensive or definitive. All references herein to such documents are qualified in their entirety by reference to such document, copies of which are available from the Sports Authority upon request and payment of reproduction costs.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

SCHEDULE I — REFUNDED OBLIGATIONS*

Obligations Refunded with 2020 Senior Lien Bonds

Bond	Maturity Date	Interest Rate	Par Amount	Accreted Value at Earlier of Maturity or First Optional Redemption	CUSIP No.	Call Date	Call Price
				Date			
Sr Lien Revenue Refunding Bonds, Series 2001A	11/15/2021	5.88%	\$ 1,355,549.60	\$ 4,380,000.00	413893CG1		
	11/15/2038	6.24%	66,406.90	406,753.90	413893CL0	11/15/2030	100
	11/15/2040	6.25%	202,354.00	1,242,920.00	413893CM8	11/15/2030	100

Bond	Maturity Date	Interest Rate	Par Amount	CUSIP No.
Sr Lien Revenue Refunding Bonds, Series 2014A	11/15/2021	5.00%	18,360,000	413890CV4
	11/15/2022	5.00%	6,600,000	413890CW2

Interest	Maturity Date	Interest Rate	Principal Amount	Interest to be Refinanced	
				Begin Date	End Date
Sr Lien Revenue Refunding Bonds, Series 2014A	11/15/2022	5.00%	6,110,000	11/16/2020	11/15/2022
	11/15/2023	5.00%	24,840,000	11/16/2020	11/15/2022
	11/15/2024	5.00%	26,080,000	11/16/2020	11/15/2022
	11/15/2025	5.00%	27,385,000	11/16/2020	11/15/2022
	11/15/2026	5.00%	28,755,000	11/16/2020	11/15/2022
	11/15/2027	5.00%	30,195,000	11/16/2020	11/15/2022
	11/15/2028	5.00%	31,705,000	11/16/2020	11/15/2022
	11/15/2029	5.00%	33,290,000	11/16/2020	11/15/2022
	11/15/2030	5.00%	34,955,000	11/16/2020	11/15/2022
	11/15/2031	5.00%	1,810,000	11/16/2020	11/15/2022
	11/15/2032	5.00%	1,535,000	11/16/2020	11/15/2022
	11/15/2033	5.00%	1,245,000	11/16/2020	11/15/2022
	11/15/2034	5.00%	945,000	11/16/2020	11/15/2022
	11/15/2032	5.00%	12,195,000	11/16/2020	11/15/2022
	11/15/2033	5.00%	12,805,000	11/16/2020	11/15/2022

Interest	Maturity Date	Interest Rate	Principal Amount	Interest to be Refinanced	
				Begin Date	End Date
Second Lien Revenue Refunding Bonds, Series 2014C	11/15/2023	5.00%	3,410,000	11/16/2020	11/15/2022
	11/15/2024	5.00%	3,580,000	11/16/2020	11/15/2022
	11/15/2025	5.00%	3,760,000	11/16/2020	11/15/2022
	11/15/2026	5.00%	3,945,000	11/16/2020	11/15/2022
	11/15/2027	5.00%	4,140,000	11/16/2020	11/15/2022
	11/15/2028	5.00%	4,345,000	11/16/2020	11/15/2022
	11/15/2029	5.00%	4,565,000	11/16/2020	11/15/2022
	11/15/2030	5.00%	4,790,000	11/16/2020	11/15/2022
	11/15/2031	5.00%	5,035,000	11/16/2020	11/15/2022
	11/15/2032	5.00%	5,285,000	11/16/2020	11/15/2022
	11/15/2033	5.00%	5,550,000	11/16/2020	11/15/2022
	11/15/2034	5.00%	5,830,000	11/16/2020	11/15/2022

2020C Second Lien Refunded Bonds

Bond	Maturity Date	Interest Rate	Par Amount	CUSIP No.
Sr Lien Revenue Refunding Bonds, Series 2014A	11/15/2022	5.00%	10,950,000	413890CW2

Bond	Maturity Date	Interest Rate	Par Amount	CUSIP No.
Second Lien Revenue Refunding Bonds, Series 2014C	11/15/2021	5.00%	3,090,000	413890DW1
	11/15/2022	5.00%	3,245,000	413890DX9

* Preliminary, subject to change.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX A

DEFINITIONS

Set forth below are the definitions of certain terms used in this Official Statement. For definitions of certain other terms used in this Official Statement (including this APPENDIX A) and the Indenture, see APPENDIX C and APPENDIX D hereto. In addition, certain terms not defined in this APPENDIX A or in APPENDIX C or APPENDIX D hereto have the meanings assigned to such terms in the forepart of this Official Statement.

“2020 Insurer” means Assured Guaranty Municipal Corp.

“Additional Junior Lien Bonds” means Additional Bonds issued as Junior Lien Bonds pursuant to the terms of the Indenture.

“Additional Second Lien Bonds” means Additional Bonds issued as Second Lien Bonds pursuant to the terms of the Indenture.

“Additional Senior Lien Bonds” means Additional Bonds issued as Senior Lien Bonds pursuant to the terms of the Indenture.

“Additional Third Lien Bonds” means Additional Bonds issued as Third Lien Bonds pursuant to the terms of the Indenture.

“Astros” means Houston Astros, LLC, a Texas limited liability company.

“Board” means the board of directors of the Sports Authority.

“Bonds” means, when used as a capitalized term in this Official Statement and without a specific reference to a series or lien level, unless the context otherwise requires and for purposes of the Master Indenture (and as defined in APPENDIX C), means bonds to be issued by the Sports Authority pursuant to the Master Indenture, and may include notes, commercial paper, or other obligations, and shall include Senior Lien Bonds, Second Lien Bonds and Junior Lien Bonds, but in no event shall such term include Third Lien Bonds.

“Governmental Obligations” means direct and general obligations of, or obligations which as to principal and interest are unconditionally guaranteed as to full and timely payment by, the United States of America, to the payment of which the full faith and credit of the United States of America is irrevocably and unconditionally pledged

“Owner” means the person in whose name a Bond is registered.

“Refunded Obligations” means the Series 2020A Refunded Interest, the Series 2020A Refunded Bonds, the Series 2020B Refunded Interest, the Series 2020B Refunded Bonds, and the Series 2020C Refunded Bonds.

“Series 1998A Bonds” means the Sports Authority’s Senior Lien Special Revenue Bonds, Series 1998A.

“Series 1998B Bonds” means the Sports Authority’s Junior Lien Special Revenue Bonds, Series 1998B.

“Series 1998C Bonds” means the Sports Authority’s Junior Lien Special Revenue Bonds, Series 1998C.

“Series 1998 Ballpark Bonds” means, collectively, the Series 1998A Bonds, the Series 1998B Bonds, and the Series 1998C Bonds.

“Series 2001A Bonds” means the Sports Authority’s Senior Lien Revenue Refunding Bonds, Series 2001A.

“Series 2001B Bonds” means the Sports Authority’s Junior Lien Revenue Refunding Bonds, Series 2001B.

“Series 2001C Bonds” means the Sports Authority’s Junior Lien Special Revenue Bonds, Series 2001C (Rodeo Project), which are no longer Outstanding.

“Series 2001C-2 Note” means the Sports Authority’s Subordinate Lien Note, Series 2001C-2 .

“Series 2001D Bonds” means the Sports Authority’s Taxable Junior Lien Special Revenue Bonds, Series 2001D, which are no longer Outstanding.

“Series 2001E Bonds” means the Sports Authority’s Taxable Junior Lien Special Revenue Bonds, Series 2001E (NFL Club Project), which are no longer Outstanding.

“Series 2001G Bonds” means the Sports Authority’s Senior Lien Revenue Bonds, Series 2001G.

“Series 2001H Bonds” means the Sports Authority’s Junior Lien Revenue Bonds, Series 2001H.

“Series 2001I Bonds” means the Sports Authority’s Taxable Senior Lien Revenue Bonds, Series 2001I.

“Series 2001 Arena Bonds” means, collectively, the Series 2001G Bonds, the Series 2001H Bonds, and the Series 2001I Bonds.

“Series 2001 Stadium Bonds” means, collectively, the Series 2001A Bonds, the Series 2001B Bonds, the Series 2001C Bonds, the Series 2001D Bonds and the Series 2001E Bonds.

“Series 2004A-3 Bonds” means the Sports Authority’s Third Lien Revenue Bonds, Series 2004A.

“Series 2014A Bonds” means the Sports Authority’s Series 2014A Senior Lien Revenue Refunding Bonds.

“Series 2014C Bonds” means the Sports Authority’s Series 2014C Second Lien Revenue Refunding Bonds.

“Series 2020 Bonds” means collectively the Series 2020A Bonds, Series 2020B Bonds and Series 2020C Bonds”

“Series 2020A Bonds” means the Sports Authority’s Senior Lien Revenue Refunding Bonds, Series 2020A

“Series 2020B Bonds” means the Sports Authority’s Taxable Senior Lien Revenue Refunding Bonds, Series 2020B .

“Series 2020C Bonds” means the Sports Authority’s Taxable Second Lien Revenue Refunding Bonds, Series 2020C.

“Series 2020A Refunded Bonds” means those bonds refunded by the Series 2020A Bonds.

“Series 2020A Refunded Interest” means the certain interest payments refunded by the Series 2020A Bonds.

“Series 2020B Refunded Bonds” means those bonds refunded by the Series 2020B Bonds.

“Series 2020B Refunded Interest” means the certain interest payments refunded by the Series 2020B Bonds.

“Series 2020C Refunded Bonds” means those bonds refunded by the Series 2020C Bonds.

APPENDIX B
AUDITED FINANCIAL STATEMENTS

ANNUAL FINANCIAL REPORT

of the

**HARRIS COUNTY-
HOUSTON SPORTS AUTHORITY**

For the Year Ended
December 31, 2019

(This page intentionally left blank.)

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

TABLE OF CONTENTS

December 31, 2019

	<u>Page</u>
<u>FINANCIAL SECTION</u>	
Independent Auditors' Report	1
Management's Discussion and Analysis (Required Supplementary Information)	5
<u>BASIC FINANCIAL STATEMENTS</u>	
Government-Wide Financial Statements	
Statement of Net Position	13
Statement of Activities	15
Fund Financial Statements	
Governmental Funds Financial Statements	
Balance Sheet – Governmental Funds	17
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	19
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	21
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	23
Notes to Financial Statements	25

(This page intentionally left blank)

FINANCIAL SECTION

(This page intentionally left blank)



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the
Harris County-Houston Sports Authority:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major funds of the Harris County-Houston Sports Authority (the "Authority"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major funds of the Authority as of December 31, 2019, and the respective changes in financial position thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, identified as Required Supplementary Information on the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

BELT HARRIS PECHACEK, LLP

Belt Harris Pechacek, LLP
Certified Public Accountants
Houston, Texas
June 22, 2020

***MANAGEMENT'S DISCUSSION
AND ANALYSIS***

(This page intentionally left blank.)

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2019

This section of the Harris County Houston Sports Authority (the "Authority") financial statements presents management's discussion and analysis (MD&A) of the financial activity of the Authority during the fiscal year ended December 31, 2019. Please read it in conjunction with the Authority's basic financial statements following this section.

THE AUTHORITY'S BUSINESS

The Authority is a sports and community venue district engaged in the business of planning, acquiring, establishing, developing, marketing, constructing or renovating one or more venue projects. The Authority has issued bonds and other subordinate debt, and contributed other available revenues, to finance the construction of sports venues, including Minute Maid Park, NRG Stadium and Toyota Center and the related parking garage. The Authority owns Minute Maid Park, BBVA Compass Stadium and Toyota Center and leases the venues to the Houston Astros, the Houston Dynamo and Rocket Ball, Ltd. ("Rocket Ball"), respectively. The Authority does not own NRG Stadium but financed the construction of NRG Stadium and retains the debt on their financial statements; but not the asset. Harris County (the "County") owns NRG Stadium and leases it to the Houston Texans and the Houston Livestock Show and Rodeo. Lease payments related to the use of NRG Stadium are assigned to the Authority to be used for the payment of debt related to the construction of NRG Stadium. General tax revenues are pledged to the payment of debt issued for the financing of Minute Maid Park, Toyota Center and NRG Stadium.

The financial reporting entity includes all funds of the primary government, as well as all of its component units. A component unit is considered to be part of the Authority's reporting entity when it is determined that the Authority is financially accountable for the entity or the nature and significance of the relationship between the Authority and the entity is such that exclusion would cause the Authority's financial statements to be misleading or incomplete. Accordingly, the Sports Authority Foundation is reported in the Authority's financial statements as a blended component unit. The Sports Authority Foundation was formed in July 2017 as a non-profit corporation and is overseen by a 7-member board, of which 4 members are also members of the Authority's board and the remaining 3 members are appointed by the Authority's board chairman and chief executive officer.

FINANCIAL HIGHLIGHTS

Government-Wide

- The total government-wide liabilities and deferred inflows of resources of the Authority exceeded the assets and deferred outflows of resources at December 31, 2019 by \$498,599,386. Of this amount, \$571,405,267 is unrestricted deficit net position, \$94,097,853 is restricted and \$21,291,972 is the deficit net investment in capital assets. A portion of the Authority's net position reflects the financing of NRG Stadium, of which the asset was transferred to another governmental entity but the associated debt was retained by the Authority.

Fund Level

- As of December 31, 2019, the Authority's governmental funds reported fund balance of \$119,152,604.
- The Authority previously issued debt to finance capital improvements. Note F of the basic financial statements provides details relating to the long-term debt.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the basic financial statements.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended December 31, 2019

Government-Wide Financial Statements — are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business. The statement of net position presents information on all Authority assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating. However, other nonfinancial factors should also be considered to assess the overall health of the Authority.

The statement of activities presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Typically, both of these government-wide financial statements would distinguish functions of the reporting entity principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or in part a portion of their costs through user fees and charges (business-type activities). The Authority, however, has and reports only governmental activities.

Fund Financial Statements — are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. Funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. The Authority has two governmental funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Authority's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Notes to the Basic Financial Statements — provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found after the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Authority, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$498,599,386. The deficit is largely the result of the debt held for NRG Stadium being carried on the Authority's financial statements while the asset is reported by the County.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended December 31, 2019

Statement of Net Position

The following table reflects the condensed Statement of Net Position:

	Governmental Activities	
	2019	2018
Current and other assets	\$ 142,366,241	\$ 140,458,113
Capital assets (excludes NRG Stadium)	386,344,722	391,724,020
Total Assets	528,710,963	532,182,133
Deferred outflows of resources	10,851,092	7,127,358
Total Deferred Outflows of Resources	10,851,092	7,127,358
Current and other liabilities	54,680,075	47,023,821
Long-term liabilities (includes NRG Stadium)	983,481,366	1,010,251,309
Total Liabilities	1,038,161,441	1,057,275,130
Net Position:		
Net investment in capital assets	(21,291,972)	(38,701,613)
Restricted	94,097,853	94,347,405
Unrestricted	(571,405,267)	(573,611,430)
Total Net Position	\$ (498,599,386)	\$ (517,965,638)

The Authority has a deficit net position balance of \$21,291,972 invested in capital assets (e.g., land, improvements, buildings, equipment and infrastructure) less any related debt used to acquire those assets that is still outstanding. The main use of these capital assets is to provide services to citizens; consequently, these assets are not available for future spending. Although the Authority's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another portion of the Authority's net position, \$94,097,853 in the fiscal year 2019, represents resources that are subject to external restrictions on how they may be used.

A portion of the Authority's unrestricted net position reflects the financing of NRG Stadium, of which the asset was transferred to the County, but the associated debt was retained by the Authority. The resources to repay this debt must be provided from the revenues of the Authority and include certain charges for services and a portion of its general revenues. The remaining balance of the Authority's net position, \$(571,405,267) in fiscal year 2019, represents the Authority's ongoing obligations to citizens and creditors and the obligation for NRG Stadium debt that is not offset by the asset. A portion of the unrestricted balance reflects the Authority's investment in NRG Stadium.

Net position increased by \$19,366,252 primarily due to an increase in capital contributions related to facility improvements, motor vehicle rental and hotel occupancy tax collections, and investment earnings.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended December 31, 2019

Statement of Activities

The following table provides a summary of the Authority's changes in net position:

	Governmental Activities	
	2019	2018
Revenues		
Program revenues:		
Charges for services	\$ 19,199,782	\$ 19,176,301
Capital grants and contributions	17,338,244	-
General revenues:		
Local taxes	70,347,255	68,192,815
Earnings on investments	2,894,285	2,305,097
Total Revenues	\$ 109,779,566	\$ 89,674,213
Expenses		
General government and events	41,352,445	38,512,657
Interest on long-term debt	49,060,869	48,630,212
Total Expenses	90,413,314	87,142,869
Change in Net Position	19,366,252	2,531,344
Beginning net position	(517,965,638)	(520,496,982)
Ending Net Position	\$ (498,599,386)	\$ (517,965,638)

Program net revenues increased \$19,366,252 from the prior fiscal year revenues mostly due to capital asset contributions of \$17,338,244 by the tenants in 2019. Year over year hotel occupancy and motor vehicle rental tax revenues increased by \$1,677,200 due in part to Astros playoff games. Investment earnings increased by \$589,188 due to improvements in liquidity management and investments purchased during 2018 of higher yielding two-year maturity treasury securities.

Expenses for general government and events increased by \$2,839,788 primarily due to increases in event costs in 2019. Interest expense on long-term debt increased by \$430,657 in fiscal year 2019.

FINANCIAL ANALYSIS THE MAJOR FUND

Governmental Fund — The Authority's major general government functions are contained in the general fund. The focus of the Authority's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Authority's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At December 31, 2019, the Authority's general fund reported a fund balance of \$119,320,223. The general fund is the chief operating fund of the Authority. The fund balance for the general fund decreased by \$5,059,739 primarily due to the partial cash defeasance of the Series 2001H bonds.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended December 31, 2019

CAPITAL ASSETS

The Authority's capital assets as of December 31, 2019, amounted to \$386,344,722 as compared to \$391,724,020 as of December 31, 2018. For further information regarding capital assets, see Note E.

DEBT ADMINISTRATION

At December 31, 2019, the Authority had total long-term debt outstanding of \$1,014,655,565. For further information regarding debt, see Note F.

The following table shows the NRG Stadium revenues for fiscal year 2019 and fiscal year 2018. These revenues are pledged to the repayment of the Series 2014 NRG Stadium bonds.

	2019	2018
Rodeo rent	\$ 1,500,000	\$ 1,500,000
Rodeo admissions/parking tax	3,018,395	2,861,056
Rodeo sales tax rebate	651,231	390,989
County admissions tax	831,064	1,161,277
County sales tax rebate	423,928	1,150,290
Texans rent	4,010,000	4,010,000
Texans admissions/parking tax	2,290,350	1,961,823
Texans sales tax rebate	3,308,422	2,534,700
Total	\$ 16,033,390	\$ 15,570,135

On June 5, 2020, Standard & Poor's (S&P) Global Rating Services lowered its rating on the Authority's senior-lien bonds from "A-" to "BBB" and its rating on the second-lien bonds from "BBB+" to "BBB-." At the same time, S&P Global Rating Services affirmed its "BB+" rating on the junior-lien bonds and its "BB" rating on the third-lien bonds. The outlook for all ratings is negative.

On April 15, 2020, Moody's Investor Services issued a downgrade to the Authority's senior-lien bonds to "A-3" and its second-lien bonds to "Baa1." Moody's also affirmed the "Baa2" rating on the junior lien bonds and "Baa3" rating on the third-lien bonds and revised the outlook to negative from stable on all bonds.

ECONOMIC FACTORS

Infectious Disease Outbreak – COVID-19 – The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the "Pandemic") by the World Health Organization and is currently affecting many parts of the world, including the United States and Texas. The Pandemic has negatively affected travel, commerce and financial markets globally, and is widely expected to continue negatively affecting economic growth and financial markets worldwide. The United States State Department and other governmental and quasi-governmental authorities have issued sweeping travel restrictions and warnings that have had and will have a continuing and direct impact on business and leisure travel, both domestic and international. These negative impacts are expected to reduce and negatively affect the collection of Hotel Occupancy Tax (HOT) and Motor Vehicle Rental Tax (MVRT) revenues by the Authority. Certain bonds and other obligations of the Authority are secured by a pledge of HOT and MVRT revenues. Another series of bonds is secured by revenues generated at NRG Stadium. The 2020 Houston Livestock Show and Rodeo, whose annual event is held in NRG Stadium, was scheduled for 20 days in March 2020. However, 12 of those days were cancelled due to the Pandemic. The Authority will continue to monitor the spread of COVID-19 and its related economic impacts and is working with its Board and consultants to assess the potential impact of the Pandemic on the Authority. The long-term impact of the Pandemic on the Authority cannot be quantified at this time.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended December 31, 2019

Houston Astros – The City of Houston's major league baseball team advanced to the 2019 World Series. The Astros' playoffs series and World Series games hosted during 2019 generated an estimated \$24 to \$36 million in economic benefit to Houston.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Authority's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Controller, Harris County-Houston Sports Authority, 701 Avenida de las Americas, Suite 450, Houston, Texas 77010.

FINANCIAL SECTION

(This page intentionally left blank.)

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

STATEMENT OF NET POSITION

December 31, 2019

Assets

Cash and cash equivalents	\$ 19,730,938
Investments	88,594,518
Accounts receivable	478,785
Accrued interest receivable	607,701
Due from other governmental entities	21,918,623
Prepaid expense	11,035,676
Capital assets (excludes NRG Stadium):	
Land	16,703,234
Other capital assets, net	369,020,818
Leasehold improvements, net	620,670
Total Assets	528,710,963

Deferred Outflows of Resources

Deferred loss on refunding of debt	10,851,092
Total Deferred Outflows of Resources	10,851,092

Liabilities

Accounts payable	16,364,552
Accrued interest	3,530,406
Unearned revenue	3,537,916
Compensated absences payable - due within one year	65,702
Long-term liabilities due within one year (includes NRG Stadium debt)	31,181,499
Compensated absences payable - due in more than one year	7,300
Long-term liabilities due in more than one year (includes NRG Stadium debt)	941,020,794
Bond premium	42,453,272
Total Liabilities	1,038,161,441

Net Position

Net investment in capital assets	(21,291,972)
Restricted for:	
Debt service	82,118,809
Capital repair	11,979,044
Unrestricted	(571,405,267)
Total Net Position	\$ (498,599,386)

See Notes to Financial Statements.

(This page intentionally left blank.)

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenues		Net Revenue (Expense) and Changes in Net Position
		Charges for Services	Capital Grants and Contributions	Governmental Activities
Governmental Activities:				
General government and events	\$ 41,352,445	\$ 19,199,782	\$ 17,338,244	\$ (4,814,419)
Interest on long-term debt	49,060,869	-	-	(49,060,869)
Total Governmental Activities	<u>\$ 90,413,314</u>	<u>\$ 19,199,782</u>	<u>\$ 17,338,244</u>	<u>(53,875,288)</u>
General Revenues:				
Taxes:				
				26,895,354
				32,928,511
				6,139,809
				4,383,581
				2,894,285
			Total General Revenues	<u>73,241,540</u>
			Change in Net Position	<u>19,366,252</u>
			Beginning net position	(517,965,638)
			Ending Net Position	<u>\$ (498,599,386)</u>

See Notes to Financial Statements.

(This page intentionally left blank.)

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

BALANCE SHEET

GOVERNMENTAL FUNDS

December 31, 2019

	General	Special Revenue	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 19,481,453	\$ 249,485	\$ 19,730,938
Investments	88,594,518	-	88,594,518
Accrued interest receivable	607,701	-	607,701
Accounts receivable	358,735	120,050	478,785
Due from other funds	241,746	-	241,746
Prepaid expense	11,035,676	-	11,035,676
Due from other governmental entities	21,918,623	-	21,918,623
Total Assets	\$ 142,238,452	\$ 369,535	\$ 142,607,987
Liabilities			
Accounts payable	\$ 16,176,291	\$ 35,408	\$ 16,211,699
Due to other funds	-	241,746	241,746
Unearned revenue	3,277,916	260,000	3,537,916
Total Liabilities	19,454,207	537,154	19,991,361
Deferred Inflows of Resources			
Unavailable revenue	3,464,022	-	3,464,022
Total Deferred Inflows of Resources	3,464,022	-	3,464,022
Fund Balances			
Nonspendable	11,035,676	-	11,035,676
Restricted for debt service	82,118,809	-	82,118,809
Restricted for capital projects	11,979,044	-	11,979,044
Unassigned	14,186,694	(167,619)	14,019,075
Total Fund Balances	119,320,223	(167,619)	119,152,604
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 142,238,452	\$ 369,535	\$ 142,607,987

See Notes to Financial Statements.

(This page intentionally left blank.)

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

December 31, 2019

Total fund balances – total governmental funds	\$	119,152,604
------------------------------------------------	----	-------------

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Leasehold improvements – net of accumulated depreciation		620,670
Land		16,703,234
Buildings and building improvements – net of accumulated depreciation		368,556,010
Equipment – net of accumulated depreciation		464,808

		386,344,722
--	--	-------------

Long-term liabilities applicable to the Authority's activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in the governmental funds but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position.

Balances as of December 31, 2019 were:

Accrued vacation payable		(73,002)
Due to Arena contractor		(150,000)
Other payable		(2,853)
Accrued interest on bonds		(3,530,406)
Deferred loss on bond refundings		10,851,092
Premium – long-term debt		(42,453,272)
Bonds and accreted interest payable		(972,202,293)

		(1,007,560,734)
--	--	-----------------

Some of the Authority's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.

		3,464,022
--	--	-----------

	\$	(498,599,386)
--	----	---------------

See Notes to Financial Statements.

(This page intentionally left blank.)

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

For the Year Ended December 31, 2019

	General	Special Revenue	Total Governmental Funds
<u>Revenues</u>			
Tax revenues:			
Motor vehicle rental tax	\$ 26,895,354	\$ -	\$ 26,895,354
Hotel occupancy tax	32,928,511	-	32,928,511
Facilities use tax	6,609,635	-	6,609,635
Sales tax rebate	3,143,426	-	3,143,426
Rent	10,550,000	-	10,550,000
Royalties	1,200,000	-	1,200,000
Contractual payments	4,010,000	508,583	4,518,583
Investment income	2,894,284	-	2,894,284
Miscellaneous/program services	2,845,034	304	2,845,338
Total Revenues	<u>91,076,244</u>	<u>508,887</u>	<u>91,585,131</u>
<u>Expenditures</u>			
General:			
General and administrative	17,990,881	1,039,616	19,030,497
Debt service:			
Early redemption of debt	22,919,912	-	22,919,912
Debt service - interest	25,116,555	-	25,116,555
Debt service - principal	29,910,000	-	29,910,000
Issuance costs and fiscal agent fees	450,587	-	450,587
Total Expenditures	<u>96,387,935</u>	<u>1,039,616</u>	<u>97,427,551</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(5,311,691)</u>	<u>(530,729)</u>	<u>(5,842,420)</u>
<u>Other Financing Sources (Uses)</u>			
Transfers in	251,952	-	251,952
Transfers (out)	-	(251,952)	(251,952)
Total Other Financing Sources (Uses)	<u>251,952</u>	<u>(251,952)</u>	<u>-</u>
Net Change in Fund Balances	<u>(5,059,739)</u>	<u>(782,681)</u>	<u>(5,842,420)</u>
Beginning fund balances	124,379,962	615,062	124,995,024
Ending Fund Balances	<u>\$ 119,320,223</u>	<u>\$ (167,619)</u>	<u>\$ 119,152,604</u>

See Notes to Financial Statements.

(This page intentionally left blank.)

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2019

Amounts reported for governmental activities in the Statement of Activities are different because:

Net changes in fund balances - total governmental funds	\$ (5,842,420)
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay	114,452
Depreciation expense	(22,831,994)
Capital contributions	17,338,244
Repayment and defeasance of bond principal and capital appreciation are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	48,008,780
Interest on capital appreciation bonds increases liabilities in the statement of net position.	(27,360,705)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued interest	188,188
Amortization of premium	4,776,190
Amortization of deferred losses	3,723,734
Accrued vacation payable	8,477
Certain items are not collected within the time frame for recording as revenue in the fund-level statements.	1,243,306
Change in Net Position of Governmental Activities	\$ 19,366,252

See Notes to Financial Statements.

(This page intentionally left blank.)

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2019

NOTE A – THE FINANCIAL REPORTING ENTITY

The Harris County - Houston Sports Authority (the "Authority") was created by concurrent orders adopted in July 1997 by the Commissioners Court of Harris County, Texas (the "County"), and the City Council of the City of Houston, Texas, (the "City"), which, as amended, became effective September 1, 1997. The Authority is a political subdivision of the State of Texas, organized as a sport and community venue district under Chapters 334 and 335 of the Texas Local Government Code (the "Act"). The Authority was created for the public purpose of planning, acquiring, establishing, developing, marketing, constructing or renovating one or more venue projects.

The Authority is governed by a Board of Directors (the "Board") that consists of 13 voting members. Six members are appointed by the City and six members are appointed by the County. The Chairperson of the Authority (the "Chairperson") is jointly appointed by both the City and the County. The Authority is considered a primary government entity since it satisfies all of the following criteria: (a) no entity appoints a voting majority of its governing body, (b) it is legally separate from other entities and (c) it is fiscally independent of other state and local governments.

The financial statements of the reporting entity include those of the Authority (the primary government) and its component units. Component units are legally separate entities for which the Board of the Authority are financially accountable, or the relationship to the Authority is such that exclusion would cause the Authority's financial statements to be misleading. Blended component units, although legally separate entities, are, in substance, part of the Authority's operations, so data from these units are combined with data of the Authority.

The Authority Foundation, (the "Foundation"), a nonprofit corporation formed in July 2017, is included in the operations and activities of the Authority as a blended component unit. The Foundation was organized for charitable, scientific, literary and educational purposes within the meaning of Section 501C(3) of the Internal Revenue Code of 1986. Four directors of the Authority's Board are directors on the Foundation's board and the Authority's Chairperson and Chief Executive Officer select three directors that will be approved by the Foundation's board. The criteria used to include the Foundation as a blended component unit of the Authority include the Authority appoints a voting majority of the Foundation's board, the Authority is able to impose its will on the Foundation and there is a financial benefit/burden relationship between the entities. The operations of the Foundation are presented as a special revenue fund in the governmental fund type. Separate financial statements are not issued for the Foundation.

The Act provides statewide enabling legislation for the creation of sports and community venue Districts and local option use of certain taxes for the development of sports, convention, culture and tourism facilities. The Act provides, among other sources, the following revenue options, which the Authority has imposed to be utilized in the financing of Minute Maid Park (see Note H), NRG Stadium (see Note I) and the Toyota Center (see Note J):

- A short-term motor vehicle tax not to exceed five percent of gross receipts on vehicle rentals of 30 days or less initiated within the City and County limits (the "Vehicle Rental Tax"). The Authority has entered into an agreement with the Office of the Texas Comptroller of Public Accounts (the "Texas Comptroller") to collect these Vehicle Rental Taxes.
- A hotel occupancy tax not to exceed two percent of the price for a hotel room rental costing more than \$2 each day for those rentals less than 31 consecutive days within the City and County limits (the "Hotel Occupancy Tax"). The Authority has entered into an agreement with the Tax Assessor - Collector of the County (the "Tax Assessor") to collect these taxes.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

Additional revenue options available under the Act and utilized by the Authority for NRG Stadium are as follows:

- An admission tax not exceeding ten percent on events held within NRG stadium, which has been capped at \$2 per ticket.
- A parking tax not to exceed \$3 per vehicle on vehicles using NRG Stadium's parking facilities for a period beginning three hours before and ending three hours after an event, which has been capped at \$1 per vehicle.
- A contribution or dedication to the Authority of all or part of the sales and use tax revenue received by the City and the Metropolitan Transit Authority of Harris County, Texas (METRO) and, that is guaranteed, paid or collected by any or all businesses operating at NRG Stadium in an approved venue project.

Subject to voter approval, admissions taxes, parking taxes, lease revenues and sales tax rebates could be used for other venue projects.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Authority conform to generally accepted accounting principles applicable to governmental units as promulgated by the Governmental Accounting Standards Board (GASB). A summary of the Authority's more significant accounting policies follows.

1. Financial Statement Presentation, Measurement Focus and Basis of Presentation

Government-Wide Statements — Government-wide financial statements consist of the statement of net position and the statement of activities. These statements report information on all of the nonfiduciary activities of the Authority. The Authority reports only governmental activities, which normally are supported by tax revenues.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under this measurement focus, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The statement of activities demonstrates the degree to which the direct expenses of the Authority's programs are offset by those programs' revenues. Program revenues include (1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by the program and (2) grants and contributions that are restricted to meeting the operational and/or capital requirements of a particular program. Program revenues are generated from sports and entertainment venue activities. Taxes and other items not included among program revenues are reported instead as general revenues.

Fund-Level Statements — The governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Authority considers taxes and other revenues as available if they are collected prior to March 1 of the next year. Expenditures are recorded when the related fund liability is incurred. Principal and interest on governmental long-term debt are recorded as fund liabilities when due or when amounts have been accumulated for payments to be made early in the

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

following year. These funds are accounted for on a spending "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Governmental fund operating statements present increases (revenues) and decreases (expenditures) in fund balance. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

The Authority reports the following governmental funds:

The *general fund* is used to account for and report all financial resources not accounted for and reported in another fund. The principal sources of revenues include motor vehicle rental and hotel occupancy taxes, rental income admissions and parking taxes on certain events and revenues related to events. Expenditures include general government, principal and interest payments on long-term debt and event related expenses. The general fund is always considered a major fund for reporting purposes.

The *special revenue fund* is used to account for and report financial resources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The special revenue fund is considered a nonmajor funds for reporting purposes, but the Authority has elected to present it as major due to its significance.

2. Cash and Cash Equivalents

The Authority considers all financial instruments with a maturity of three months or less at the time of purchase to be cash equivalents.

3. Capital Assets

Capital assets include land, buildings, improvements other than buildings and equipment that are used in the Authority's operations and benefit more than a single fiscal year.

Capital assets of the Authority are defined as assets with individual costs of \$5,000 or more and estimated useful lives in excess of one year. Building improvements in excess of \$250,000 are capitalized and depreciated over the life of the improvements with useful lives of greater than one year.

All capital assets are stated at historical cost or estimated historical cost if actual cost is not available. Donated capital assets are stated at their acquisition value on the date donated.

Capital assets are depreciated in the government-wide financial statements using the straight-line method over the following estimated useful lives:

Asset	Years
Buildings	30-40
Building improvements	10-20
Equipment	3-20

4. Net Position and Fund Balances

Net Position Classifications — Net position in the government-wide financial statements is classified in three categories: (1) net investment in capital assets, (2) restricted net position and (3) unrestricted net position. Net position is shown as restricted if constraints placed on use are either (1) externally imposed by creditors, grantors, contributors or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation. The Authority's restricted net position is restricted for debt service and certain capital items.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

Classifications of Fund Balances — In the fund financial statements, the governmental funds reports fund balances in the following four categories: (1) nonspendable, (2) restricted for debt service, (3) restricted for capital projects and (4) unassigned. The Authority follows the provisions of GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54) Under GASB 54, fund balances should be reported in one of the following five categories: (1) non-spendable, (2) restricted, (3) committed, (4) assigned or (5) unassigned. The Authority has determined that it does not have any committed or assigned fund balance. Under GASB 54, the nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

This “not in spendable form” criterion includes items that are not expected to be turned into cash, like prepaids and inventories, as well as the long-term amount of loans and notes receivable. The Authority classifies all of its prepaid expenses as nonspendable. Under GASB 54, fund balances should be reported as restricted when constraints placed on those resources are either (1) externally imposed by creditors (such as through debt covenants), grantors, contributors or laws and regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation. The Authority’s resources held for debt service on long-term obligations are restricted based on the terms of the issuing documents for the long-term obligations. The Authority’s lease agreements for the facilities owned or built by the Authority specify specific funding requirements for capital repair and replacement expenditures in those facilities. The funds to pay for those expenditures are restricted. Fund balances that are not classified as nonspendable and have not been restricted, committed or assigned to specific purposes are classified as unassigned.

The Authority has funds set aside for capital repair and debt service related costs. The Authority considers restricted amounts to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Authority considers unassigned amounts to be spent first when an expenditure is incurred for the purpose for which amounts in any unrestricted fund balance classification could be used.

5. Fair Value Measurements

GASB Statement No. 72, *Fair Value Measurement and Application*, establishes an authoritative definition of fair value, sets a framework for measuring fair value and requires additional disclosures about fair value measurements. The Authority categorizes the fair value measurements of its investments based on the hierarchy established by GAAP. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset is not observable, the Authority will measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

As of December 31, 2019, the Authority held the following at fair value measurements:

		Fair Value	
		Measurements Using	
	Investments as of December 31, 2019	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments by fair value level			
Debt Securities			
U.S. Treasury securities	\$ 47,100,904	\$ 47,100,904	\$ -
Commercial paper	51,984,366	-	51,984,366
Total debt securities	\$ 99,085,270	\$ 47,100,904	\$ 51,984,366
Investments measured at the net asset value			
Money Market Treasury Funds	7,354,702		
Total investments measured at the NAV	7,354,702		
Total investments measured at fair value	\$ 106,439,972		

6. Deferred Inflows and Outflows of Resources

The Authority reports certain transactions as deferred inflows of resources and deferred outflows of resources. Deferred inflows of resources represents an acquisition of net position that applies to a future period and, therefore, will not be recognized as revenue until that time. Deferred outflows of resources represents a consumption of net position that applies to a future period and, therefore, will not be recognized as an expense/expenditure until then. The Authority's deferred inflows of resources represents revenue that does not meet the available criterion. The Authority's deferred outflows of resources represent the difference between the refunding debt and the refunded debt.

7. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from these estimates.

NOTE C – DEPOSITS AND INVESTMENTS

The Authority is obligated to deposit primarily all of its revenues into certain accounts held in trust (the "Pledged Accounts") in accordance with provisions included in the bond indentures, as amended and supplemented, which are described in Note F. As of December 31, 2019, debt service accounts available totaled \$82,118,809 and are restricted only for the payment of principal and interest on the bonds.

The Authority's investment activities are governed by the State of Texas Public Funds Investment Act, bond covenants and trust agreements and the Authority's investment policy. Securities that are acceptable as collateral are obligations of the United States and its agencies, various states and their municipalities, school districts and special districts. Interest earnings from specific investments are credited directly to the account from where the investment was made.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

1. Deposits

Chapter 2257 of the Texas Government Code is known as the Public Funds Collateral Act (the "Act"). This Act provides guidelines for the amount of collateral that is required to secure the deposit of public funds. Federal Deposit Insurance Corporation (FDIC) insurance is available for funds deposited at any one financial institution up to a maximum of \$250,000 each for interest bearing and noninterest bearing demand deposits, time and savings deposits and deposits pursuant to indenture. The Act requires that the deposit of public funds be collateralized in an amount not less than the total deposit, reduced by the amount of FDIC insurance available.

The custodial credit risk for deposits is the risk that the Authority will not be able to recover deposits that are in the possession of an outside party. Deposits are exposed to custodial credit risk if they are not insured or collateralized. At December 31, 2019, the carrying amount of the Authority's noninterest bearing demand and time deposits was \$1,230,458 and the balance per various financial institutions was \$1,230,458. The Authority's deposits are not exposed to custodial credit risk since all deposits are covered by FDIC insurance or collateralized with securities deposited by the Authority's depository institution in safekeeping at the Federal Reserve Bank in the Authority's name. The mutual funds are invested primarily in direct obligations of the U.S. government or its agencies.

2. Investments

Chapter 2256 of the Texas Government Code is known as the Public Funds Investment Act. (the "Act"). This Act authorizes the Authority to invest funds pursuant to a written investment policy, which primarily emphasizes the safety of principal and liquidity and addresses investment diversification, yield and maturity. The Authority's investment policy is reviewed and approved annually by the Board. The investment policy includes a list of authorized investment instruments, a maximum allowable stated maturity by fund type and the maximum weighted average maturity of the overall portfolio. Guidelines for diversification and risk tolerance are also detailed within the policy.

Authority funds may be invested in the following investments provided that such investments meet the guidelines of the investment policy:

- a. Obligations of the U.S. Government or its agencies and instrumentalities.
- b. Direct obligation of the State of Texas or its agencies and instrumentalities.
- c. Other obligations the principal and interest of which are unconditionally guaranteed or insured by or backed by the full faith and credit of the State of Texas or the U.S.
- d. Obligations of states, agencies, counties, cities and other political subdivisions of any state rated as investment quality by a nationally recognized investment rating firm not less than 'AA' or its equivalent.
- e. Certificates of deposit issued by a state or national bank domiciled in this state or a savings and loan association domiciled in this state that are guaranteed or insured by the FDIC or secured by authorized investments that have a market value of not less than the principal amount of the certificates.
- f. Fully collateralized repurchase agreements for which the Authority has obtained a signed master repurchase agreement with the company into which the agreement is entered, as authorized by the Act.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

- g. Commercial paper with a stated maturity of 270 days or fewer from the date of issuance as authorized by the Act.
- h. No-load money market mutual funds regulated by the Securities and Exchange Commission, with a dollar-weighted average stated maturity of 90 days or fewer and which include in their investment objectives the maintenance of a stable new asset value of \$1 per share as authorized by the Act.
- i. Guaranteed investment contracts as authorized by the Act.

3. Summary of Cash and Investments

The Authority's cash and investments are stated at fair value based upon quoted market prices. The following is a summary of cash, cash equivalents and investments held by the Authority at December 31, 2019:

Cash and cash equivalents	\$	19,730,938
Investments		88,594,518
Total cash and cash equivalents and investments	\$	108,325,456

The table below indicates the fair value and maturity value of the Authority's investments as of December 31, 2019, summarized by security type. Also presented are the percentages of total portfolio and the weighted average maturity in years for each summarized security type.

Security	Fair Value	Percentage of portfolio	Weighted Average Maturity in (Years)	Credit Rating
U.S. Treasury notes	\$ 47,100,904	43%	0.73	AAA/Aaa
Commercial paper >90 days to maturity	41,493,614	38%	0.27	A-1+, P-1
Total investments	88,594,518	81%		
Commercial paper <90 days to maturity	10,490,752	10%	0.10	A-1+, P-1
Money market mutual funds	7,354,702	7%		
Demand and time deposits	1,885,484	2%		
Total cash and cash equivalents	19,730,938	19%		
Total cash and cash equivalents and investments	\$ 108,325,456	100%		

4. Risk Disclosures

Interest Rate — All investments carry the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Authority manages its exposure to interest rate risk is by purchasing a combination of shorter and longer term investments and by matching cash flows from maturities so that a portion of the portfolio is maturing evenly over time as necessary to provide the cash flow and liquidity needed for operations.

According to the Authority investment policy, no more than 25% of the portfolio, excluding those investments held for future capital expenditures, debt service payments, bond fund reserve accounts and capitalized interest funds, may be invested beyond 24 months. Additionally at least 15% of the portfolio, with the previous exceptions, is invested in overnight instruments or in marketable securities which can be sold to raise cash within one day's notice. Overall, the average maturity of the portfolio,

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

with the previous exceptions, shall not exceed two years. As of December 31, 2019, the Authority was in compliance with all of these guidelines to manage interest rate risk.

Credit Risk and Concentration of Credit Risk — Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The Authority mitigates these risks by emphasizing the importance of a diversified portfolio. All funds must be sufficiently diversified to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer or a specific class of securities. In particular, no more than 50% of the overall portfolio may be invested in time deposits, including certificates of deposit, of a single issuer.

The following individual investments have fair values greater than 5% of the portfolio:

Investment	Fair Value	
	December 31, 2019	Percentage of portfolio
Toyota Motor Commercial Paper 02/07/20 Maturity	\$ 10,490,752	9.64%
U.S. Treasury Note 1/31/20 Maturity	8,852,390	8.19%
Total	<u>\$ 19,343,142</u>	<u>17.83%</u>

Concentration by issuer for other investment instruments is not specifically addressed in the investment policy. However, the policy does specify that acceptable investment instruments must have high quality credit ratings and, consequently, risk is minimal.

The Authority's investment policy establishes minimum acceptable credit ratings for certain investment instruments. Securities of states, agencies, counties, cities and other political subdivisions must be rated as to investment quality by a nationally recognized investment rating firm as 'AA' or its equivalent. Money market mutual funds and public funds investment pools must be rated as 'Aaa' by Moody's Investor Rating Service.

Custodial Credit Risk — Investments are exposed to custodial credit risk if the investments are uninsured, are not registered in the Authority's name and are held by the counterparty. In the event of the failure of the counterparty, the Authority may not be able to recover the value of its investments that are held by the counterparty. As of December 31, 2019, all of the Authority's investments are held in the Authority's name.

Foreign Currency Risk — Foreign currency risk is the risk that fluctuations in the exchange rate will adversely affect the value of investments denominated in a currency other than the U.S. dollar. The Authority's investment policy does not list securities denominated in a foreign currency among the authorized investment instruments. Consequently, the Authority's investments are not exposed to foreign currency risk.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

NOTE D – ACCOUNTS RECEIVABLE AND DUE FROM OTHER GOVERNMENTAL ENTITIES

At December 31, 2019, amounts due from other governmental entities consisted of the following:

Texas Comptroller - short-term motor vehicle rental tax	\$ 4,395,743
Harris County Tax Assessor - hotel occupancy tax	7,934,940
Metropolitan Transit Authority - sales tax rebate	1,502,696
City of Houston - sales tax rebate	1,649,204
Texas Comptroller - event trust fund	3,230,948
Other - miscellaneous	3,683,877
Total due from other governmental entities	\$ 22,397,408

NOTE E – CAPITAL ASSETS

Capital assets transactions are summarized as follows:

	December 31, 2018	Additions	Disposals	December 31, 2019
Governmental activities:				
Capital assets not being depreciated:				
Land and other improvements	\$ 16,703,234	\$ -	\$ -	\$ 16,703,234
Total - not depreciated	16,703,234	-	-	16,703,234
Other capital assets:				
Buildings	614,650,551	-	-	614,650,551
Building improvements	48,243,245	17,443,459	-	65,686,704
Equipment	16,893,026	9,237	-	16,902,263
Leasehold improvements	871,579	-	-	871,579
Total capital assets being depreciated	680,658,401	17,452,696	-	698,111,097
Less accumulated depreciation for:				
Buildings	276,353,583	18,102,330	-	294,455,913
Building improvements	13,091,883	4,233,449	-	17,325,332
Equipment	16,020,474	416,981	-	16,437,455
Leasehold improvements	171,675	79,234	-	250,909
Total accumulated depreciation	305,637,615	22,831,994	-	328,469,609
Other capital assets - net	375,020,786	(5,379,298)	-	369,641,488
Governmental Activities Capital Assets - Net	\$ 391,724,020	\$ (5,379,298)	\$ -	\$ 386,344,722

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

NOTE F – DEBT

The following is a summary of the long-term debt as of December 31, 2019:

	Interest Rate (%)	Maturity Dates	2019 Amount
Bond Issuances:			
Senior Lien Revenue Refunding Bonds - Series 2001A	5.16-6.25	2002-2040	\$ 45,782,111
Senior Lien Revenue Bonds - Series 2001G	4.67-6.30	2015-2041	2,212,357
Junior Lien Revenue Bonds - Series 2001H	5.95-6.30	2020-2041	50,020,911
Third Lien Refunding Bonds - Series 2004A-3	2.75-5.99	2031-2039	26,966,177
Subordinate Lien Note - Series 2001C2	0.0	2032	5,000,000
Senior Lien Revenue Refunding Bonds - Series 2014A	4.73-5.00	2018-2053	417,733,444
Second Lien Revenue Refunding Bonds - Series 2014C	2.00-5.00	2015-2034	63,515,000
Taxable Revenue Refunding Bonds			
(NRG Stadium Project) - Series 2014	4.454	2015-2031	52,930,000
(Toyota Center Project) - Series 2014	4.476	2015-2032	44,605,000
Total Bond Issuances			708,765,000
Accretion and Accrued Interest:			
Series 2001A Capital Appreciation Bonds			5,295,467
Series 2001A Capital Appreciation Term Bonds			91,934,078
Series 2001G Capital Appreciation Bonds			4,541,656
Series 2001H Capital Appreciation Bonds			97,638,449
Series 2004A-3			39,547,787
Series 2014A			24,479,856
Total Accretion and Accrued Interest			263,437,293
Premiums on Bonds Issued:			
Series 2014A - \$58,084,371 at issue			36,656,827
Series 2014C - \$9,125,622 at issue			5,796,445
Total Premium			42,453,272
Total Long-term Debt			\$ 1,014,655,565

In December 2014, the Authority issued \$558,513,444 in Senior and Second Lien Revenue Refunding bonds to refinance and restructure a significant portion of its outstanding Senior Lien bonds and Junior Lien bonds, and to eliminate or clarify certain covenants in the existing indentures and allow for the settlement of certain lawsuits filed by MBIA Insurance Corporation and its successor, National Public Finance Guarantee Corporation ("National") and the trustee for the bonds at the time, Wilmington Trust, N.A., and cause certain revenues held by Wilmington Trust to be released and used to replenish certain funds and/or reimburse certain stakeholders or tenants of the approved venue projects. Additionally, the Authority issued \$69,170,000 in Stadium bonds secured by NFL Club special revenues, Houston Livestock Show and Rodeo (HSLR) special revenues and government special revenues and \$57,540,000 in Toyota Center bonds, secured by annual rent payments received from the Houston Rockets NBA Basketball team. The proceeds of the Stadium bonds and the Toyota Center bonds were used to refund certain obligations owed to the County, the Houston Texans and the Houston Rockets, funding a debt service reserve for both issues and paying issuance costs for both issues.

The Series 2014 Senior and Second Lien Revenue Refunding bonds were used to refund all of the Senior Lien 1998A and 2001A bonds and all of the outstanding Series 1998B, Series 1998C and Series 2001B Junior Lien bonds. They were also used to refund a portion of the Series 2001H and Series 2001G Senior

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

Lien bonds. The Series 2014 Stadium bonds and the Series 2014 Toyota Center bonds were used to refund the RCM reimbursement obligation with the County, the unfunded team credit obligation with the Houston Texans and the Series 2001D-1 and Series 2001D-2 notes with the Houston Rockets.

The Series 2001A bonds and the Series 2001C Subordinate Lien notes were issued to finance a substantial portion of the costs of NRG Stadium. The Series 2001G-H Bonds ("Arena Bonds"), the Series 2001A Senior Subordinate note and Series 2001D Subordinate Lien notes were issued to finance a substantial portion of the costs of the Toyota Center. The Series 2004A bonds were issued to refund a portion of the interest payments for certain bonds previously issued.

The bonds are special limited obligations of the Authority that are payable solely from and secured by a lien on certain revenues, special revenues and other assets of the Authority as provided in the bonds' indentures, including hotel occupancy tax revenues and short-term motor vehicle rental tax revenues. Certain revenues and certain assets are not available to cover debt service requirements on all issues. The trust indenture for each bond issue outlines the revenues pledged to the related bond issue.

The 2001 Series G-I bonds were issued to finance certain costs of acquiring, constructing and equipping a multi-purpose arena located in downtown Houston and a related parking garage and infrastructure that is the home of the Houston Rockets NBA team, professional hockey and other events. The arena – named Toyota Center – is located on land owned by the City and leased to the Authority. The parking garage is located on land owned by the Authority. The Toyota Center and related garage are owned by the Authority during the lease period and leased to Rocket Ball Ltd., d/b/a the Houston Rockets. The bonds are secured by a pledge of the motor vehicle rental and hotel occupancy tax revenues. The Series 2001G Bonds were partially refunded in 2014 with the proceeds of the Series 2014A bonds. The Series 2001I bonds were refunded in 2014 with the proceeds of the Series 2014A bonds.

The Authority issued its Subordinate Lien note, Series 2001C in the aggregate principal amount of \$12,000,000 (the "Series 2001C Subordinate Note"). The Series 2001C Subordinate Note was privately placed with the Corporation. As of December 31, 2014, the Series 2001C Subordinate Note is secured by a pledge of the hotel occupancy tax and the motor vehicle rental tax subordinate to the pledge thereof to the Series 1998 bonds, the Series 2001A bonds, the Arena Bonds and the Series 2004 Third Lien Refunding bonds. The proceeds from the Series 2001C Subordinate Note were used to finance a portion of the construction costs for NRG Stadium. On November 22, 2017, the Authority paid \$13,320,700 to reduce the amount outstanding on the Series 2001C-1 subordinate note. On October 17, 2018, the Authority paid the remaining amount outstanding including all accrued interest to that date and the Series 2001C-1 subordinate note was paid in full.

The Authority issued its Third Lien Refunding Bonds, Series 2004A in the aggregate principal amount of \$37,742,896 ("Series 2004 Bonds"). The Series 2004 Bonds are secured by a pledge of the hotel occupancy tax and the motor vehicle rental tax subordinate to the pledge thereof to the Series 2001A bonds and the Series Arena Bonds. The Series 2004 bonds were issued to refund all or a portion of the interest payments due on November 15, 2004 and May 15, 2005 for certain bonds previously issued by the Authority.

The Series 2014A Tax-Exempt Senior Lien bonds were issued in the par amount of \$435,203,444 to refund \$440,031,728 in Junior and Senior Lien bonds and having a present value of \$476,545,198 on December 23, 2014. The Series 2014A Tax-Exempt Senior Lien bonds were issued at a premium of \$58,084,371, which resulted in \$493,287,815 in funds available from bond proceeds. These funds, along with \$13,442,035 of funds on hand that were released as a result of the transaction, were used to fund a refunding escrow of \$481,264,828, fund a reserve fund for the unrefunded portion of the Series 2001 G bonds and \$23,263,669 to pay underwriters discount, cost of issuance and the cost of insurance premiums and sureties securing debt service reserve funds. Debt service on the bonds being refunded would total

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

\$810,999,882 to maturity. The debt service on the refunding bonds totals \$1,003,825,828 to maturity and resulted in a present value savings of \$38,850,922.

The Series 2014B Taxable Senior Lien bonds were issued in the par amount of \$47,435,000 to refund \$36,525,000 in previously issued Junior and Senior Lien bonds having a present value of \$38,354,628 on December 23, 2014. The Series 2014B bonds together with \$4,743,500 in funds released as a result of the transaction provided \$52,178,500 in funds available to provide \$37,946,860 to fund an escrow account for the refunded debt, provide \$4,743,500 for a debt service reserve fund for the bonds, and the remaining amount to fund cost of issuance and underwriter's discount. Debt service on the bonds being refunded would total \$49,681,175 to maturity. The debt service on the refunding bonds totals \$48,765,636 to maturity resulting in a savings of \$915,539 and a net present value cost of \$6,605,594.

The Series 2014C Tax-Exempt Second Lien bonds (the "Series 2014C bonds") were issued in the par amount of \$75,875,000 to refund \$82,250,000 in Junior Lien bonds and having a present value of \$92,311,901 on December 23, 2014. The Series 2014C bonds were issued at a premium of \$9,125,622, which provided a total of \$85,000,622 to fund underwriter's discount, cost of issuance and a deposit to escrow for the refunded bonds of \$83,123,980. Debt service on the Series 2014C bonds being refunded would total \$189,472,062 to maturity. The debt service on the Series 2014C bonds totals \$121,192,761 to maturity for a savings of \$68,279,301 and a net present value savings of \$13,151,278.

The Series 2014 NRG Stadium bonds were issued in the par amount of \$69,170,000 and, along with \$9,059,351 of funds released by the transaction, provided \$78,229,351 to fund a debt service reserve fund of \$5,982,502, provide for the payment of \$1,654,111 in underwriter's discount and issuance costs, provide \$24,512,723 to retire the RCM obligation and provided \$46,080,015 to fund other stadium-related obligations. The RCM obligation was due on February 15, 2015 at a par amount of \$24,512,723 and called on December 23, 2014 at par. The fair value for the RCM obligation on December 23, 2014 was \$24,356,885 and the transaction resulted in a present value savings of \$1,759,117.

The Series 2014 Toyota Center Project bonds were issued in the par amount of \$57,540,000 and the proceeds were used to retire the Series 2001D-1 and Series 2001 D-2 notes in the amount of \$52,496,119, to fund a debt service reserve fund of \$3,527,435 and to fund cost of issuance. The refunded notes debt service to maturity was \$222,130,576 with a present value of \$110,108,599 on December 23, 2015. The value of the refunded notes on December 23, 2014 was \$52,496,119 and there was a net present value savings of \$56,044,689 on the transaction.

Defeased Debt

On April 28, 2017, the Authority purchased and redeemed specific 2001H and 2004A Third Lien bonds in the open market to retire debt. \$166,583 of principal and \$253,191 of accreted interest of 2001H Third Lien bonds and \$105,532 of principal and \$116,657 of accreted interest of 2004A Third Lien bonds were retired early. The prices paid exceeded the net carrying amount of the old debt by \$175,136. This loss on redemption was expensed in 2017.

On May 16, 2017, the Authority accepted a bid for securities totaling \$12,823,013 to fund an escrow account to defease certain Series 2004A-3 maturities at the call date of November 15, 2024.

On May 24, 2017, the Authority purchased \$15,153,000 par value of United States Treasury Separate Trading of Registered Interest and Principal of Securities (STRIPS) (CUSIP - 912833LT5) with a maturity date of November 15, 2024 at a cost of \$12,822,014 and deposited the STRIPS along with \$999 in cash into an irrevocable trust escrow account administered by UMB Trustee. Certain 2004A-3 bonds totaling a par value of \$4,591,444 had an outstanding value of \$9,758,136 on May 24, 2017. The value at redemption to the call date of November 15, 2024 is \$15,153,994. Accordingly, the trust account assets

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

and the liability for the defeased bonds are not included in the Authority's financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$3,065,140. This amount is being amortized over the life of the remaining bonds. As of December 31, 2019 \$15,153,994 of the defeased bonds remain outstanding.

On June 19, 2019 the Authority deposited money and governmental obligations totaling \$22,919,912 into an irrevocable trust to defease the Authority's obligation to pay \$6,436,187 in aggregate original principal amount of the Series 2001H Junior Revenue Bonds issued January 2, 2002 with an accreted value on June 19, 2019, of \$18,098,598. The maturity value at redemption to the call date of November 15, 2030 is \$26,195,000. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Authority's financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$4,821,314. This amount is being amortized over the life of the remaining bonds. This cash defeasance was undertaken to reduce total debt service payments by \$3,233,788 and resulted in an economic gain of \$6,765. As of December 31, 2019, \$26,195,000 of the defeased bonds remain outstanding.

The following is a summary of the changes in long-term debt for the year ended December 31, 2019:

	Balance, December 31, 2018	Additions	Retirements	Balance, December 31, 2019	Amount Due Within One Year
Revenue bonds:					
Series 2001G	\$ 2,212,357	\$ -	\$ -	\$ 2,212,357	\$ -
Series 2001H	56,457,098	-	(6,436,187)	50,020,911	21,499
Series 2014 NRG	56,400,000	-	(3,470,000)	52,930,000	3,625,000
Series 2014 Toyota	47,220,000	-	(2,615,000)	44,605,000	2,730,000
Refunding bonds:					
Series 2001A	47,248,674	-	(1,466,563)	45,782,111	1,395,233
Series 2004A-3	26,966,177	-	-	26,966,177	-
Series 2014A	434,513,444	-	(16,780,000)	417,733,444	17,550,000
Series 2014C	66,315,000	-	(2,800,000)	63,515,000	2,945,000
Subordinate liens:					
Series 2001C1, C2	5,000,000	-	-	5,000,000	-
Total Bonds	742,332,750	-	(33,567,750)	708,765,000	28,266,732
Accretion and accrued interest:					
Series 2001A CAB's	7,414,195	659,709	(2,778,437)	5,295,467	2,914,767
Series 2001A CATB's	83,899,105	8,034,973	-	91,934,078	-
Series 2001G CAB's	4,135,535	406,121	-	4,541,656	-
Series 2001H CAB's	100,183,058	9,117,984	(11,662,593)	97,638,449	-
Series 2004A-3	35,761,252	3,786,535	-	39,547,787	-
Series 2014A	19,124,473	5,355,383	-	24,479,856	-
Total Accretion and Accrued Interest	250,517,618	27,360,715	(14,441,030)	263,437,293	2,914,767
Unamortized premiums:					
Series 2014A	40,753,178	-	(4,096,351)	36,656,827	-
Series 2014C	6,476,284	-	(679,839)	5,796,445	-
Total Premium	47,229,462	-	(4,776,190)	42,453,272	-
Total	\$ 1,040,079,830	\$ 27,360,715	\$ (52,784,970)	\$ 1,014,655,565	\$ 31,181,499

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2019

Annual principal and interest/accretion payments on the bonds payable at December 31, 2019 are summarized as follows:

Years Ending December 31	Principal	Interest and accretion	Total
2020	\$ 28,266,732	\$ 26,822,991	\$ 55,089,723
2021	29,633,732	26,061,134	55,694,866
2022	34,219,179	22,095,359	56,314,538
2023	36,623,996	22,499,073	59,123,069
2024	40,872,497	28,257,904	69,130,401
2025-2029	236,730,664	138,365,748	375,096,412
2030-2034	133,611,547	241,082,230	374,693,777
2035-2039	41,667,293	320,267,271	361,934,564
2040-2044	43,594,758	220,965,242	264,560,000
2045-2049	38,372,297	152,777,703	191,150,000
2050-2053	45,172,305	107,742,944	152,915,249
Totals	\$ 708,765,000	\$ 1,306,937,599	\$ 2,015,702,599

Arbitrage Rebate Liability

The Tax Reform Act of 1986 established regulations for the rebate to the federal government of arbitrage earnings on certain local government bonds issued after December 31, 1985, and all local governmental bonds issued after August 31, 1986. Issuing governments must calculate any rebate due and remit the amount due at least every five years. There was no arbitrage rebate payment made during fiscal year 2019. As of December 31, 2019, there were no estimated liabilities for arbitrage rebate on governmental debt.

Debt Service Account Balances

The Authority has established debt service and debt service reserve accounts with the trustee for all series of bonds. As of December 31, 2019, the Authority's cash and investment available for debt service totaled \$82,118,809. There were surety policies in place to provide debt service reserves for the Series 2001A and 2014A bonds in the face amount of \$51,293,051 as of December 31, 2019.

Included in the cash and investments available for debt service are certain accounts restricted for debt repayment. Those accounts include the national insured bonds debt service reserve with a balance of \$10,553,180.

NOTE G – OPERATING LEASES

The Authority leases office facilities and equipment under noncancelable operating leases. Total costs for such leases were \$338,794 for the year ended December 31, 2019, and the future minimum lease payments for these leases are:

Year Ending December 31, 2019	Amount
2020	\$ 347,519
2021	357,416
2022	367,550
2023	377,943
2024	388,576
2025-2027	810,196
Total	\$ 2,649,200

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

The Authority has lease agreements or assignments of lease payments with five parties for the four sport venues. Minimum lease payments to be received by the Authority are as follows:

Years Ending December 31,	Dynamo	Astros	Rockets	HLSR	Texans
2020	\$ 172,192	\$ 8,100,000	\$ 8,500,000	\$ 1,500,000	\$ 4,010,000
2021	180,802	8,100,000	8,500,000	1,500,000	4,010,000
2022	289,842	8,100,000	8,500,000	1,500,000	4,010,000
2023	304,334	8,100,000	8,500,000	1,500,000	4,010,000
2024	319,550	8,100,000	8,500,000	1,500,000	4,010,000
2025-2029	1,854,004	40,500,000	42,500,000	7,500,000	20,050,000
2030-2034	3,336,009	45,500,000	34,000,000	4,500,000	8,020,000
2035-2050	7,830,543	145,600,000	-	-	-
Total	<u>\$ 14,287,276</u>	<u>\$ 272,100,000</u>	<u>\$ 119,000,000</u>	<u>\$ 19,500,000</u>	<u>\$ 48,120,000</u>

NOTE H – AGREEMENTS WITH THE HOUSTON ASTROS

Effective June 17, 1998, the Authority entered into various agreements with the Houston Astros (the “Astros”) which embodied the obligation of the Authority to construct Minute Maid Park and the obligation of the Astros to lease Minute Maid Park for a term of 30 years after the completion of Minute Maid Park. There are four principal agreements, plus a letter from Major League Baseball. The following is a summary of the major points of each principal agreement:

1. Ballpark Project Agreement

The project agreement entered into between the Authority and the Astros set forth the respective rights and obligations of the parties during the construction and development phase of Minute Maid Park.

2. Ballpark Lease Agreement

The stadium lease for Minute Maid Park (the “Ballpark Lease”) is for a primary term of 30 years and commenced on March 30, 2000.

The Astros have the option (provided no uncured default exists) to extend the term of the Ballpark Lease for up to two consecutive periods of five years each. Rental payments during each renewal period will be negotiated between the parties at the time the Astros exercise each renewal option.

The basic rental fee to be paid by the Astros under the Ballpark Lease is \$3,400,000 per year. In addition, the Astros are obligated to deposit annually the sum of \$2,500,000 into an asset renewal and replacement fund (the “ARR Fund”) to ensure that sufficient dollars are available for the Astros to perform all capital repairs at Minute Maid Park. The Astros’ obligation to perform capital repairs is not, however, limited to the amounts on deposit in the ARR Fund.

The Astros are obligated to pay all expenses in connection with the maintenance, use, repair and occupancy of Minute Maid Park necessary to keep and maintain Minute Maid Park in a first-class condition reasonably consistent with other comparable facilities, subject to certain limited exclusions.

In July 2018, the Authority Board approved the first Omnibus Amendment (the “Amendment”) of the Minute Maid Park principal project documents. The primary term under the Ballpark Lease was modified to terminate on March 31, 2050. In addition, under the modified terms, the basic rental fee of \$3,400,000 per year to be paid by the Astros under the Ballpark Lease increases to \$4,400,000 commencing April 1, 2018 to March 31, 2030. Of the \$1,000,000 annual increase, \$750,000 will be paid directly to the ARR

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

Fund. In addition, the basic rental fee increases again commencing April 1, 2030 to the expiration of the lease on March 31, 2050 to \$5,400,000.

3. Ballpark License Agreement

The Ballpark License Agreement has the same term as the Ballpark Lease. Pursuant to the Ballpark License Agreement, the Astros are granted the exclusive right to any naming rights, advertising rights, broadcast rights and telecommunications rights pertaining to Minute Maid Park. The annual royalty to be paid by the Astros under the Ballpark License Agreement is \$1,200,000.

4. Ballpark Nonrelocation Agreement

Pursuant to a nonrelocation agreement (the "Ballpark Nonrelocation Agreement") entered into between the Authority and the Astros, during the term of the Ballpark Lease, the Astros must play all of their baseball home games in Minute Maid Park, subject to certain limited exceptions. Additionally, the Astros are prohibited from relocating outside the boundaries of the City and the County. The Astros may sell the Astros baseball franchise in accordance with the applicable rules and regulations of Major League Baseball and the terms of the Ballpark Lease.

NOTE I – AGREEMENTS WITH THE HOUSTON TEXANS AND RODEO

Effective May 17, 2001, the Authority, the City, the County, the Corporation, or the successor in interest to the NFL club, METRO, the HLSR and the NFL Club entered into various agreements that govern the construction, financing and use of NRG Stadium, a multipurpose, retractable roof sports and entertainment facility designed to support the occupancy of a NFL franchise by the NFL Club, the annual rodeo of HLSR and other sporting and entertainment events. The principal project documents embody (i) the obligation of the Corporation to construct, operate and maintain NRG Stadium, (ii) the obligation of the Authority to finance the construction of NRG Stadium, and (iii) the obligation of the NFL Club and the HLSR to lease NRG Stadium for their respective games and events for a term of 30 years after the completion of NRG Stadium. Upon completion, ownership of NRG Stadium was transferred to the County; therefore, the value of NRG Stadium is not included in the capital assets of the Authority. The principal project documents are summarized as follows:

1. The funding agreement obligates the Authority to provide financing for the design and construction of NRG Stadium in accordance with the terms of the various bond documents, sets forth the terms and conditions agreed to by the Corporation, the NFL Club, HLSR, and the Authority related thereto, and provides for the NFL Club's payment of certain amounts not generated by Personal Seat Licenses (PSL) sales;
2. The project agreement among the Corporation, the NFL Club, and HLSR generally governs the parties' rights and responsibilities during the design and construction of NRG Stadium;
3. The NFL Club lease agreement sets out the Corporation's and the NFL Club's responsibilities after the completion of NRG Stadium with regard to occupancy, use, repairs and payment of the NFL Club Guaranteed Payment, and the NFL Club Supplemental Revenue Payment;
4. The Stadium tri-party agreement among the Corporation, the NFL Club and HLSR generally governs issues with regard to the parties' participation in advertising, signage, concessions and naming rights and future development at Reliant Park (formerly known as the Astrodome complex);
5. The nonrelocation agreement obligates the NFL Club to play its home football games in NRG Stadium and not to relocate the NFL Club's football franchise outside its current home territory;

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

6. The HLSR lease agreement sets out the Corporation and HLSR responsibilities after the completion of NRG Stadium with regard to occupancy, use, repairs and payment of rental;
7. The NFL club license agreement grants to the NFL Club certain intangible property rights associated with its use of NRG Stadium such as naming rights, broadcast rights and advertising rights; and
8. The HLSR license agreement grants to HLSR certain intangible property rights associated with its use of NRG Stadium, such as naming rights, broadcasting rights and advertising rights.

The terms of the principal project documents require that the guaranteed payments or lease payments to be made by the NFL Club and the HLSR be assigned to the Authority during the term of the leases. Under the terms of the principal project documents, the following payments are to be made to the Authority:

1. The NFL Club will make a guaranteed payment annually of \$4,010,000. The guaranteed payment may be offset (subject to the terms of the indenture governing the debt service requirements) by the following miscellaneous club revenues: (a) ticket taxes for the NFL Club events (b) parking taxes for NFL Club events, and (c) City and METRO sales tax rebates for all taxable sales related to an NFL Club event.

The offset to the guaranteed payment, however, shall not be made in any particular year until such time as the capital repair reserve requirement for such particular year is satisfied in full.

2. The HLSR will make a lease payment of \$1,500,000 annually. In addition, the following revenues related to HLSR events will be received by the Authority: (a) ticket taxes or surcharges on all HLSR events, (b) parking taxes for HLSR events and (c) City and METRO sales tax rebates for all taxable sales related to an HLSR event.
3. The Authority is entitled to the following revenues for all other events held in NRG Stadium: (a) ticket taxes or surcharges to all other events held in NRG Stadium and (b) City and METRO sales tax rebates for all taxable sales related to all other events held in NRG Stadium.
4. The Authority, the Corporation and the NFL Club also entered into an agreement that authorized the Authority to market and sell, or cause to be marketed or sold, PSLs for certain seating at the NFL Club's games. The Authority delegated the authority for the marketing and sale of the PSLs to the NFL Club. The NFL Club satisfied its obligation to contribute \$50 million toward the construction costs for NRG Stadium through the sale of PSLs. Any amounts received in excess of \$50 million may be used at the direction of the NFL Club to pay construction costs for improvements requested by the NFL Club, the costs associated with the marketing and sale of PSLs or for any other purpose determined by the NFL Club.

NOTE J – ROCKET BALL, LTD.

Effective December 31, 2001, the Authority entered into various agreements with Rocket Ball, Ltd. ("Rocket Ball") that set forth the terms and conditions for the development, construction, financing, use and occupancy of a multi-purpose sports and entertainment facility and parking garage for the Houston Rockets and for a National Hockey League (NHL) franchise, if one is brought to Houston.

1. Description of Project

The multi-purpose sports and entertainment facility known as the Toyota Center and related parking garage (the "Garage") and infrastructure ("Related Infrastructure") and collectively with the Toyota Center and the Garage, the ("Project") was constructed in downtown Houston, Texas as the home facility for the

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

Houston Rockets, professional hockey and other events. The Project is located in the eastern portion of downtown Houston.

The Toyota Center is located on land owned by the City and leased to the Authority. The Garage is located on land owned by the Authority. The Project is owned by the Authority and leased to Rocket Ball. The Toyota Center was designed by Rocket Ball and developed and constructed by the Authority. The Garage was designed, developed and constructed by the Authority. The Garage was sold on June 30, 2015.

2. Acquisition of Project Site

Acting on behalf of the City, and pursuant to an interlocal agreement, the Authority acquired the Toyota Center site. The City contributed \$20 million toward the costs for the Toyota Center land and related infrastructure. The Authority also acquired the Garage site.

3. Project Budget

The Toyota Center portion of the Project, exclusive of the Garage, certain infrastructure work and studies and certain other excluded costs described in the principal project documents, had a budget of \$202 million. Proceeds from the Series 2001 Arena bonds funded \$182 million of the Toyota Center portion of the Project Budget. Up to \$20 million of the Toyota Center's portion of the Project Budget was funded from proceeds of the Authority's subordinate obligation issued in 2004 to Rocket Ball or an affiliate or affiliates of Rocket Ball.

4. Principal Project Documents

There are six principal project documents (the "Arena Principal Project Documents") that embody (i) the obligation of the Authority to construct and finance the construction of the Toyota Center and the Garage, (ii) the obligation of Rocket Ball to lease and operate the Toyota Center for a term of 30 years after the completion of the Arena and (iii) the right of Rocket Ball to use, and the obligation of the Authority to operate, the Garage in connection with the Toyota Center.

These Arena Principal Projects Documents are:

- a. Interlocal Agreements — these agreements between the City and the Authority generally set out the City's obligation to provide funding to acquire the site and to perform certain infrastructure work and studies related to the Toyota Center and the Garage. Rocket Ball is a third-party beneficiary of these agreements;
- b. Project Agreement — this agreement generally governs the Authority's and Rocket Ball's rights and obligations during the design and construction of the Toyota Center, the Garage and certain related Project improvements, including, without limitation, an enclosed access-way connecting the Garage to the Toyota Center and a loading dock and associated underground tunnel and access ramp;
- c. Arena Lease Agreement — generally sets out the Authority's and Rocket Ball's rights and responsibilities with regard to occupancy, use, repairs, rent payments, naming rights, broadcast rights, advertising rights, telecommunication rights and other intellectual property rights;
- d. Nonrelocation Agreement — generally sets out the obligations of Rocket Ball with respect to playing its basketball home games in the Toyota Center and not relocating Rocket Ball's basketball franchise outside its current home territory during the term of the Toyota Center Lease;

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

- e. Parking Garage Lease Agreement — generally sets out the Authority's and Rocket Ball's rights and responsibilities with regard to the use, occupancy and operation of and repairs and maintenance to the Garage, the enclosed access and portions of the access ramp to the loading dock; and
- f. City Ground Lease Agreement — this agreement between the City, as landlord, and the Authority, as tenant, provides that the City will lease the land on which the Toyota Center is constructed to the Authority for a term of 30 years for and in consideration of the Authority's obligation to construct and provide the Toyota Center for the City's use on certain specified dates. Rocket Ball is a third-party beneficiary of this agreement.

Under the terms of the Arena Lease Agreement, Rocket Ball is obligated to make a payment of \$8.5 million annually, which is to be allocated as follows:

- a. \$1.5 million is to be deposited to an account to be used for operations and maintenance expense for the Toyota Center;
- b. \$1.6 million is to be deposited to the Capital Repair and Replacement Fund (the "CRR Fund") to ensure that sufficient dollars are available for Rocket Ball to perform capital repairs at Toyota Center;
- c. \$200,000 is to be paid to the City for naming rights; and
- d. \$5.2 million was originally pledged to the payment of Arena supported debt.

Rocket Ball is obligated to pay all expenses in connection with the maintenance, use, repair and occupancy of the Toyota Center that exceeds the operations and maintenance expense allocation above. Additionally, Rocket Ball's obligation to perform capital repairs is not limited to the amounts on deposit in the CRR Fund.

The lease payments are due semi-annually, on August 1 and February 1. In prior years, the August 1 payment has been recognized as revenue in the year the payment is made, although one month of the rental period is in the next fiscal year.

NOTE K – DYNAMO STADIUM, L.L.C.

Effective February 18, 2011, the Authority entered into various agreements with Dynamo Stadium, L.L.C. ("Dynamo Stadium") that set forth the terms and conditions for the development, construction, financing, use and occupancy of a multi-purpose soccer and entertainment facility for the Houston Dynamo (the "Team") of Major League Soccer and for the football program at Texas Southern University.

1. Description of Project

The multi-purpose outdoor soccer stadium known as the BBVA Compass Stadium (the "Stadium") and related infrastructure was constructed in downtown Houston, Texas. The Stadium will serve as the home facility for the Teram, Texas Southern University football and other events. The Stadium is located in the eastern portion of downtown Houston. The Stadium is located on land owned by the City and County and leased to the Authority. The Stadium is owned by the Authority and leased to Dynamo Stadium. The Stadium was designed by Dynamo Stadium and financed, developed and constructed by the Team.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

2. Principal Project Documents

There are three principal project documents which embody (i) the obligation of the City and County as tenants in common and landlord, to ground lease the land on which the Stadium was constructed (the "Stadium Site") located in the east end of downtown Houston in a subdivision known as the East End Economic Development site to the Authority, (ii) the obligation of the Authority to lease the Stadium Site to Dynamo Stadium, (iii) the obligation of Dynamo Stadium to develop, construct (and finance the construction of), operate and maintain a multi-purpose, outdoor soccer stadium on the Stadium Site, (iv) the obligation of the Dynamo Soccer, L.L.C. ("Dynamo Soccer") to cause the Team to play all of its home games in the Stadium, (v) a framework for Texas Southern University to play its home games at the Stadium and (vi) the obligation of the City and County to contribute certain tax increments in City of Houston Tax Reinvestment Zone No. 15 ("TIRZ 15") to Dynamo Stadium for Dynamo Stadium to use as security for a \$20 million loan to pay for a portion of the construction costs of the Stadium.

These documents are:

- a. Interlocal Agreements — This agreement between the City, the County and the Authority generally sets out the City's and County's obligation, through TIRZ No. 15, to provide certain tax increments as security for a loan to Dynamo Stadium to finance \$20 million of the cost to construct the Stadium.
- b. Ground Lease Agreement — This agreement between the City and the County, as landlord, and the Authority, as tenant, provides that the City and the County, as landlord, will lease the Stadium Site to the Authority for a term of 30 years after completion of the Stadium for and in consideration of the Authority's obligation to cause Dynamo Stadium to construct the Stadium. The Authority will own the Stadium during the term of the ground lease, with the City and County receiving ownership upon the expiration of the ground lease. There will be no monetary rent paid by the Authority as tenant under the ground lease.
- c. Lease and Development Agreement — This agreement generally sets out the terms of the lease of the Stadium Site by the Authority to Dynamo Stadium and Dynamo Stadium's responsibility to construct, maintain, operate, use and repair the Stadium.

Commencing the first year after completion of the Stadium, the Team will pay to the Authority annual rent equal to \$65,000, such amount to increase by consumer price index (CPI) each year during the term of the Stadium Lease. The Authority assumes the CPI will increase 2% per year for lease revenue projections related to this lease agreement.

Dynamo Stadium is obligated to repair (including performing capital repairs) maintain, manage and operate the Stadium, at its sole cost and expense, as a multi-purpose sports and entertainment facility in compliance with all governmental rules and in a manner consistent with the manner and standards by which comparable facilities are repaired, maintained, managed and operated. Dynamo Stadium is obligated to make deposits into the CRR Fund as follows:

- a. \$100,000 at the end of the first year of operations and \$100,000 per year for the second through tenth year of operation
- b. \$200,000 per year for years 11 through 20
- c. \$425,000 per year for years 21 through 30

The obligation of Dynamo Stadium to perform capital repairs at the Stadium is not limited to amounts on deposit in the CRR Fund.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

The Stadium was opened to the public on May 1, 2012. The cost to complete the Stadium was \$82,683,364, and the building is being depreciated over a 30-year period.

NOTE L – EMPLOYEES' RETIREMENT PLAN

The Authority has a deferred compensation plan (the "Plan") created in accordance with Internal Revenue Code Section 457 that is available for all regular employees. Employees may contribute up to the annual maximum allowed by the Internal Revenue Service, which was \$19,000 for 2019. The Authority will match the employees' contribution up to 6% of the employees' salary.

During fiscal year 2019, the Authority contributed 6% of the employees' gross compensation to the Plan. The employer and employee contributions were \$84,151 and \$116,986, respectively, based on a covered payroll of \$1,540,471. The total payroll for the Authority was \$1,644,064. The employees of the Authority are fully vested after five years of service. In the first year of employment, the employee has a 20% vested interest in the employer contribution. This amount increases to 40% in year two of service, 60% in year three of service, and 80% in year four of service. Senior level managers, defined as having supervisory responsibilities and having a base salary higher than \$110,000 annually, have a three-year vesting plan.

NOTE M – CONTINGENCIES

The Authority is the defendant in various legal actions that arise in the normal course of business. No prediction as to the result of such litigation or claims can be made, but the Authority, based on consultation with outside counsel, believes the outcome of such matters will not materially affect its financial position.

NOTE N – SUBSEQUENT EVENT

Infectious Disease Outbreak – COVID-19

The COVID-19 Pandemic (the "Pandemic") has negatively affected tourism, travel, commerce, and financial markets globally, and is widely expected to continue negatively affecting economic growth and financial markets worldwide, including the United States, Texas, and Harris County. The Authority cannot predict the duration and extent of the Pandemic. Similarly, the Authority's management cannot quantify the magnitude of the impact on the regional and local economy, on tourism demand, or the collection of Hotel Occupancy Tax and Vehicle Rental Tax revenues. Similarly, the Authority cannot predict attendance at venues and the resulting impact of low attendance on venue operator's ability to make contractual payments.

Media reports suggests the duration of the event will be based on the widespread distribution of a vaccine which may be from 9 to 24 months away. The Authority receives collection data approximately two months following the month end in which the collections were related for Motor Vehicle Rental Tax and a month after the end of the calendar quarter for Hotel Occupancy Tax. The first full month of the Pandemic economic impact was April 2020. The May 2020 Motor Vehicle Rental Tax collections were down 35% compared to the prior month and down 12% of collections compared to the same period a year prior. The Hotel Tax collections for the first quarter were up 5% compared to the quarter ending December 31, 2019 and up 5.4% over the first quarter last year. The Pandemic's impact on the Hotel Tax collections will be realized in the second quarter collections due by July 31, 2020. Management has not received any indication from venue operators (Texans, Rockets, or Astros) regarding making payments less than the contractual amount. The HLSR, which cancelled 12 of its 20 scheduled days, will be entitled to a rent credit of \$900,000, to be applied to their next annual rent payment due in February 2021.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended December 31, 2019

The Authority's management is actively monitoring the fiscal impact of the crisis and the ability of the Authority to meet obligations as they come due. The Authority has total cash of \$119,504,590 including restrictive sources, as of March 31, 2020. Management is working with legal counsel to establish prioritization of payments and flexibility of using otherwise restricted resources. Management is running various cash forecasting models which involves a number of assumptions. Key assumptions include the current collection ratios relative to the prior year as well as includes venue operators. Current projections for the remainder of 2020 are based on 30% of prior year collections and all venue operators making contractual payments for the 2020 fiscal year. Based on these assumptions, the Authority's management believes they will meet all obligations during the 2020 fiscal year.

Paycheck Protection Program

On April 27, 2020, the Sports Authority Foundation received \$453,500 in funds related to the paycheck protection program as part of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). The deadline to expend these funds expires on June 24, 2020. It is unknown if the Foundation will be required to repay this loan, or if it will be forgiven.

APPENDIX C

EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE

Set forth below are certain excerpted provisions of the Indenture of Trust dated August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004 and December 1, 2014, and as further amended as of October 1, 2020, by the 31st Supplemental Indenture of Trust which is incorporated into this Appendix C for convenience (the "Master Indenture"). These excerpts are qualified by reference to other portions of the Master Indenture referred to or described elsewhere in this Official Statement, and all references and summaries pertaining to the Master Indenture in this Official Statement are, separately and in whole, qualified by reference to the exact terms of the Master Indenture, a copy of which may be obtained from the Sports Authority. Section and Article references contained in the following excerpts are to Sections and Articles contained in the Master Indenture. Provisions included herein from the 31st Supplemental Indenture of Trust dated as of October 1, 2020, are in substantially final form, but may change prior to the initial delivery of the Series 2020 Obligations to the Underwriters and may thereafter be amended, along with other provisions in the Master Indenture, in accordance with the terms of the Master Indenture. Capitalized terms used in the Official Statement and not otherwise defined have the meanings stated in this Official Statement. See also Appendix D – Excerpts of Certain Provisions of the Supplemental Indentures.

* * * * *

FOURTH AMENDED AND RESTATED INDENTURE OF TRUST

THIS FOURTH AMENDED AND RESTATED INDENTURE OF TRUST (the "Indenture"), originally dated as of August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014, by and between HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a political subdivision of Harris County, Texas, the City of Houston, Texas, and the State of Texas, duly organized and existing under the Constitution and laws of the State of Texas (the "Issuer"), and UMB BANK, NATIONAL ASSOCIATION, a national banking association, authorized to accept and execute trusts of the character herein set out, as successor trustee, with a payment office in Kansas City, Missouri (the "Trustee"):

* * *

NOW THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS, THIS INDENTURE WITNESSETH:

The Issuer, in consideration of the premises and the acceptance by the Trustee of the trusts created by this Indenture and each Supplemental Indenture and of the purchase and acceptance of each Series of the Bonds by the Owners thereof, in order to secure the payment of the principal of, interest on, purchase price of, and premium, if any, on all Series of Bonds according to their tenor and effect, the payment of all amounts due and owing to the Credit Provider, and the performance and observance by the Issuer of all the covenants expressed or implied herein and in each Series of the Bonds, does hereby grant, mortgage, grant a security interest in, collaterally assign, transfer in trust, and pledge to the Trustee, and to its successors in trust, and to them and their assigns forever, the following:

FIRST

All right, title, and interest of the Issuer, now owned or hereafter acquired, in and to the moneys deposited or required to be deposited in the Senior Lien Debt Service Account (for any Senior Lien Bonds), the Second Lien Debt Service Account (for any Second Lien Bonds), the Junior Lien Debt Service Account (for any Junior Lien Bonds), and the Pledged Revenue Account, provided, however, that the Issuer expressly reserves the right to transfer any or all interest and investment income earned from investments held in the Debt Service Accounts (other than amounts attributable to capitalized interest on Bonds), and the Pledged Revenue Account to

other Accounts (including specifically, but not by way of limitation, the Rebate Account) as hereinafter provided;

SECOND

All right, title, and interest of the Issuer, now owned or hereafter acquired, in and to the moneys deposited or required to be deposited in the Special Revenue Account pursuant to the provisions of this Indenture, provided that with respect to the Tax Exempt Bonds such right, title and interest is limited to the Allowed Special Revenue Amount unless a greater amount is pledged by Supplemental Indenture;

THIRD

All right, title, and interest of the Issuer, now owned or hereafter acquired, in and to each Senior Lien Debt Service Reserve Subaccount (for a Series of Senior Lien Bonds issued pursuant to a Supplemental Indenture under which a particular Senior Lien Debt Service Reserve Subaccount is established), each Second Lien Debt Service Reserve Subaccount (for a Series of Second Lien Bonds issued pursuant to a Supplemental Indenture under which a particular Second Lien Debt Service Reserve Subaccount is established), and each Junior Lien Debt Service Reserve Subaccount (for a Series of Junior Lien Bonds issued pursuant to a Supplemental Indenture under which a particular Junior Lien Debt Service Reserve Subaccount is established); provided that the Issuer expressly reserves the right to transfer any or all interest and investment income earned from investments held in the Senior Lien Debt Service Reserve Account, the Second Lien Debt Service Reserve Account, or the Junior Lien Debt Service Reserve Account to other Accounts (including specifically, but not by way of limitation, the Rebate Account) as hereinafter provided;

FOURTH

All right, title, and interest of the Issuer, now owned or hereafter acquired, in and to the Revenues and to the Special Revenues, including, in the event of the Issuer's failure to do so, the right of the Issuer to enforce timely imposition and collection of all Revenues or Special Revenues, provided that Special Revenues are pledged solely to the Bonds to which such Special Revenues are expressly pledged pursuant to one or more Supplemental Indentures and further provided that with respect to the Tax Exempt Bonds any pledge of Special Revenues is limited to the Allowed Special Revenue Amount unless a greater amount is pledged by Supplemental Indenture;

FIFTH

All right, title, and interest of the Issuer, now owned or hereafter acquired, in and to proceeds from the sale of Bonds required to be deposited in the Construction Account or Cost of Issuance Account pursuant to the provisions of this Indenture (except as limited by the following provisos) and all right, title, and interest in and to the investments held in the Construction Account or Cost of Issuance Account (except as limited by the following provisos) pursuant to the provisions of this Indenture; provided, however, that the Issuer may establish one or more separate accounts in the Construction Account or Cost of Issuance Account to be funded with proceeds of any particular Series of Bonds, which accounts and the proceeds of the particular Series of Bonds deposited therein (together with all investments thereof and investment income earned thereon) may be pledged solely to the payment of one or more designated Series of Bonds for any designated periods, or otherwise, all as permitted in **Section 5.3** hereof and as shall be more fully provided in any Supplemental Indenture with respect to the proceeds of the Series of Bonds issued thereunder, and provided further that such pledge is subordinate and junior to the rights of any third party to whom amounts are owed for Costs of a Venue Project or Costs of Issuance as applicable;

SIXTH

Any and all property of every kind and nature (including, without limitation, cash, obligations or securities) which may from time to time hereafter be assigned, hypothecated, endorsed, pledged, granted, or delivered to or deposited with the Trustee as additional security hereunder by the Issuer or anyone on its behalf, or which pursuant to any of the provisions hereof may come into the possession or control of the Trustee as security hereunder, or of a receiver lawfully appointed hereunder, all of which the Trustee is authorized to receive, hold and apply according to the terms hereof;

SEVEN

All right, title, and interest of the Issuer, now owned or hereafter acquired, in and to the money deposited or required to be deposited in the Second Lien Debt Service Revenue Holding Account pursuant to the provisions of this Indenture;

EIGHT

All right, title, and interest of the Issuer, now owned or hereafter acquired, in and to the money deposited or required to be deposited in the Junior Lien Debt Service Revenue Holding Account pursuant to the provisions of this Indenture;

NINE

All right, title, and interest of the Issuer in and to the National Insured Bonds Debt Service Reserve Account, but for no obligations other than the National Insured Bonds, and the Debt Repayment Account, but for no obligations other than the Series 2001H Bonds, the Series 2004A Bonds and the Series 2001C-2 Note, subject to the application of such Accounts provided herein;

TEN

All right, title, and interest of the Issuer, now owned or hereafter acquired, in and to the money deposited or required to be deposited in the Revenue Recycling Account subject to the application and termination of such Account provided herein.

PROVIDED, that any instrument, fund, property or contract right, Special Revenues, or proceeds thereof designated by a Supplemental Indenture to be pledged, mortgaged or assigned to secure a specific Series of Bonds (or specific Bonds within a Series) including each Subaccount of the Senior Lien Debt Service Reserve Account, Second Lien Debt Service Reserve Account, or Junior Lien Debt Service Reserve Account, and the National Insured Bonds Debt Service Reserve Account and the Debt Repayment Account as designated herein, shall be held by the Trustee hereunder for the sole and exclusive benefit of the Owners of the Series of Bonds (or such specific Bonds within a Series) so designated, and shall not secure or accrue to the benefit of any Series of Bonds or specific Bonds within a Series not so designated;

TO HAVE AND TO HOLD all the Trust Estate with all privileges and appurtenances hereby granted and assigned, or agreed or intended so to be, to the Trustee and its successors in trust and to them and their assigns forever;

SUBJECT TO the rights, if any, of each person under each Credit Facility, Credit Agreement, Pledge Agreement and Related Agreements to the extent provided herein or in any Supplemental Indenture;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth (i) for the equal and proportionate benefit, security and protection of all Owners from time to time of all Series of Senior Lien Bonds issued under and secured by this Indenture, without privilege, priority or distinction as to lien or otherwise of any of

the Senior Lien Bonds over any of the others except as otherwise provided herein, (ii) on a basis subordinate and junior to the Senior Lien Bonds, for the equal and proportionate benefit, security and protection of all Owners from time to time of all Series of Second Lien Bonds issued under and secured by this Indenture, without privilege, priority or distinction as to lien or otherwise of any of the Second Lien Bonds over any of the others except as otherwise provided herein, and (iii) on a basis subordinate and junior to the Senior Lien Bonds and the Second Lien Bonds, for the equal and proportionate benefit, security and protection of all Owners from time to time of all Series of Junior Lien Bonds issued under and secured by this Indenture, without privilege, priority or distinction as to lien or otherwise of any of the Junior Lien Bonds over any of the others except as otherwise provided herein;

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, or provide fully for payment as provided in *Article Nine* hereof of the principal of all Series of Bonds and the interest due or to become due thereon (together with premium, if any), at the time and in the manner set forth in the Bonds and other instruments according to the true intent and meaning thereof, and shall make the payments into the Senior Lien Debt Service Account (for a Series of Senior Lien Bonds), the Second Lien Debt Service Account (for a Series of Second Lien Bonds), or the Junior Lien Debt Service Account (for a Series of Junior Lien Bonds), as required under *Article Five* or shall provide, as permitted hereby, for the payment thereof by depositing with the Trustee sums sufficient for payment of the entire amount due or to become due thereon as herein provided, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of this Indenture to be kept, performed and observed by it, and shall pay to the Trustee and the Credit Providers all sums of money due or to become due to them in accordance with the terms and provisions hereof, then this Indenture and the rights hereby granted shall cease, terminate and be void except as otherwise provided herein; otherwise, this Indenture shall be and remain in full force and effect.

UNDER THE PROVISIONS OF THE ENABLING ACT AND THIS INDENTURE no Series of Bonds or other obligations hereunder may be payable from or be a charge upon any funds of the Issuer other than the Revenues, Special Revenues (if and to the extent pledged to a Series of Bonds), and Trust Estate pledged to the payment thereof and no Owner or Owners of the Bonds shall ever have the right to compel any exercise of the taxing power of the Issuer to pay any Bonds or the interest and premium, if any, thereon, or to enforce payment thereof against any property of the Issuer, except with respect to Hotel Occupancy or Vehicle Rental Taxes to the extent pledged hereby, and the Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the Issuer, except as above provided; and the Enabling Act provides that under no circumstances shall any Bond or other obligation of the Issuer hereunder be or become an indebtedness or obligation of the State of Texas, Harris County, Texas, the City of Houston, Texas, or any other political subdivision of or municipality within the State, nor shall any such Bond or obligation be or become an indebtedness of the Issuer within the purview of any constitutional limitation or provision, but nothing in the Enabling Act impairs the rights of Owners of Bonds issued under this Indenture and the Supplemental Indentures relating thereto to enforce the covenants made for the security thereof as provided in this Indenture and the applicable Supplemental Indenture and in the Enabling Act and the Issuer and the Trustee mutually covenant and agree, to the extent specifically provided herein, for the benefit of all Owners of all Series of the Bonds, as follows:

ARTICLE ONE DEFINITIONS, EXHIBITS AND GENERAL PROVISIONS

Section 1.1. Definitions.

In this Indenture, including the Recitals hereto, the following terms have the following meanings unless the context hereof clearly requires otherwise, and any other terms defined in a Supplemental Indenture or in Related Agreements shall have the same meanings when used herein as assigned them in such other documents unless the context or use thereof indicates another or different meaning or intent:

“AAA” means the American Arbitration Association.

“Account” or “Subaccounts” means any one or more of the accounts or subaccounts created or established within the Venue Project Fund hereunder or under any Supplemental Indenture.

"Accreted Value" means with respect to any Bond that is a Capital Appreciation Bond, as of any Valuation Date, the amount set forth for such date in the applicable Supplemental Indenture authorizing such Bond and as of any date other than a Valuation Date, the sum of (i) the Accreted Value on the preceding Valuation Date (or the initial reoffering price if there is no preceding Valuation Date), and (ii) the product of (1) a fraction, the numerator of which is the number of days having elapsed from the preceding Valuation Date and the denominator of which is the number of days from such preceding Valuation Date to the next succeeding Valuation Date, using for such calculation 30 day months and a 360 day year and (2) the difference between the Accreted Values for such Valuation Dates.

"Additional Bonds" means Bonds issued pursuant to this Indenture as from time to time supplemented as permitted by *Article Six*, but in no event shall Additional Bonds include Third Lien Bonds or other obligations of the Issuer secured by a pledge or assignment, lien, charge, or encumbrance on any or all property or interests therein or other items of security comprising the Trust Estate which lien is subordinate and junior to the lien of the Indenture.

"Additional Bonds Revenues" means (a) all receipts by the Trustee from the Hotel Occupancy Tax and Vehicle Rental Tax, and (b) other amounts, funds, accounts, revenues, receivables, or other security irrevocably pledged or assigned as part of the Trust Estate for a Series of Bonds pursuant to a Supplemental Indenture; provided however, such other items referenced in clause (b) shall constitute Additional Bonds Revenues only if consented to by each Designated Credit Provider.

"Additional Required Reserve Account" means the Account of such name maintained under the Third Amended and Restated Indenture dated as of August 15, 1998, as amended and restated on May 1, 2001, November 1, 2003, June 1, 2004, between the Issuer and a predecessor trustee to the Trustee.

"Adjustable Rate Bond" means any Bond, the interest rate on which is not established at the time of calculation at a single numerical rate for the remaining term of such Bond, but for which the period between redeterminations of the interest rate is more than two years.

"Adjusted Debt Service Requirements" means, for any period, as of any date of calculation, the aggregate Debt Service Requirements on Outstanding Bonds for such period taking into account the following adjustments:

(i) With respect to Adjustable Rate Bonds and Bonds that bear interest at a Variable Interest Rate, the aggregate Debt Service Requirements thereon are determined as if each such Bond bore interest at the Certified Interest Rate, and (B) if (1) Bonds of a specific maturity within a Series bear interest at a Variable Interest Rate and Bonds which bear a Variable Interest Rate of another Series with the same maturity are issued in an equal principal amount to the first such Series of Bonds of the same maturity and (2) the Variable Interest Rate of the first Series of such Bonds varies inversely to the Variable Interest Rate of the second Series of such Bonds of the same maturity so that the combined interest rate for the aggregate principal amount of such Bonds of the same specific maturity for both such Series is determined by the Issuer to result in a combined fixed interest rate, then so long as the same principal amount of each maturity of such Series of Bonds remain Outstanding, the aggregate Debt Service Requirements thereon shall be determined as if all such Variable Interest Rate Bonds of such Series and maturity bore interest at the combined fixed interest rate so determined by the Issuer with respect to such aggregate principal amount of such Bonds.

(ii) Except to the extent described in (iii) below, with respect to Bonds secured by a Credit Facility, the aggregate Debt Service Requirements thereon shall be deemed to include all periodic Bond Related Costs and other payments to (including any payments required to reimburse) the related Credit Provider (including any Debt Service Reserve Account Credit Provider), but shall not include any amounts payable as principal of and interest and premium with respect to any reimbursement obligation to such Credit Provider except and to the extent that such payments on such reimbursement obligation are required to be made to the Credit Provider in excess of any corresponding Debt Service Requirements with respect to such Bonds during such period.

(iii) With respect to Optional Tender Bonds, the aggregate Debt Service Requirements thereon shall not include any amounts payable to a Credit Provider pursuant to any reimbursement obligation arising as the result of the payment of any purchase price with respect to such Bonds on a Purchase Date except to the extent that, and for any period during which, the Issuer is obligated to reimburse the Credit Provider for payments made by such Credit Provider directly or indirectly in satisfaction of any obligation to purchase such Bonds on any Purchase Date following the application of any proceeds of any remarketing of such Bonds.

(iv) The aggregate Debt Service Requirements for any period on any Bonds shall not include (1) any interest which is payable from Capitalized Interest held for payment of interest on such Bonds or (2) the amount of Debt Service Requirements on Bonds to be paid from amounts in a Debt Service Reserve Account at the time of such computation for the period in question, but only if any such amount described in (1) or (2) is available and is to be applied under the applicable Supplemental Indenture to make debt service payments on such Bonds when due.

(v) With respect to Crossover Refunding Bonds, the aggregate Debt Service Requirements thereon until the Crossover Refunding Bonds Break Date shall be disregarded.

For purposes of this definition of Adjusted Debt Service Requirements, the principal and interest portions of the Accreted Value of Capital Appreciation Bonds and the Appreciated Value of any Deferred Interest Bonds becoming due at maturity or by virtue of Mandatory Sinking Fund Requirements shall be included in the calculation of accrued and unpaid and accruing interest or principal installments on the date on which or for the period during which such amounts become due and payable (whether at stated maturity or earlier mandatory redemption) unless otherwise provided in a Supplemental Indenture authorizing such Capital Appreciation Bonds or Deferred Interest Bonds. At the request of the Trustee, the Computation Agent shall make all computations with respect to this definition as may be required by this Indenture or any Supplemental Indenture and shall provide the result of its computations to the Trustee.

"Allowed Special Revenue Amount" means, with respect to an issue of Tax-Exempt Bonds (or portion thereof pursuant to a multipurpose allocation), as of the proposed date of payment of any such Special Revenue, an amount of Special Revenues the present value of which (calculated pursuant to sections 1.141-4 and 1.141-13 of the Regulations), together with any other Special Revenues or other private payments previously used for Debt Service Requirements on such Bonds (or, in the case of refunding Bonds, the Debt Service Requirements on the "combined issue" as defined in section 1.141-13 of the Regulations), shall not exceed the lesser of \$15,000,000 or 10% of the present value of all Debt Service Requirements on such Bonds (or, in the case of refunding Bonds, the Debt Service Requirements on the "combined issue" as defined in section 1.141-13 of the Regulations) through such proposed date of payment from the Issue Date for such Bonds (or, in the case of refunding Bonds, the Issue Date of the refunded obligations), calculated based on the Yield for such issue (or, in the case of refunding bonds, the "yield on the combined issue" as calculated pursuant to section 1.141-13 of the Regulations), or, upon any change in the laws governing the excludability of interest from the gross income of the owners of such Bonds for federal income tax purposes, such greater amount as may from time to time be authorized under such laws, provided that the Trustee shall have received an opinion of Bond Counsel to the effect that treating such greater amount as the "Allowed Special Revenue Amount" will not adversely affect such excludability of interest. At the request of the Trustee, the Computation Agent shall make all computations with respect to this definition as may be required by this Indenture or any Supplemental Indenture and shall provide the result of its computations to the Trustee.

"Annual Budgeted Expense Amount" at the commencement of each subsequent Bond Year, the Issuer shall certify to the Trustee the Annual Budgeted Expense Amount for each Series of Bonds, which shall be the projected Bond Related Costs and Bond Service Charges for such Bond Year including the needed monthly deposits to each applicable Senior Lien Expense Subaccount, Second Lien Expense Subaccount, Junior Lien Expense Subaccount, Senior Lien Debt Service Reserve Subaccount, Second Lien Debt Service Reserve Subaccount, Junior Lien Debt Service Reserve Subaccount, Senior Lien Credit Subaccount, Second Lien Credit Subaccount, and Junior Lien Credit Subaccount to provide sufficient funds in such Subaccounts to pay such Bond Related Costs and Bond Service Charges when due.

"Annual Budgeted General and Administrative Amount" means during the 2014-2015 Bond Year the amount of \$3,961,215, and by adding at the commencement of each subsequent Bond Year (i) the Annual Budgeted General and Administrative Amount at the commencement of the immediately preceding Bond Year to (ii) the product of multiplying the Annual Budgeted General and Administrative Amount at the commencement of the immediately preceding Bond Year times the United States Bureau of Labor Statistics' most recently published 12-month percent change for the Consumer Price Index for All Urban Consumers for the U.S. City Average for All Items, as certified to the Trustee by the Issuer at the beginning of each Bond Year. Beginning with the 2016-2017 Bond Year and for each subsequent Bond Year, the amount of the Annual Budgeted General and Administrative Amount will increase as provided in clause (ii) only if, on the first day of the Bond Year in which the increase would be effective, the balance of the Debt Repayment Account plus the balance of the National Insured Bonds Debt Service Reserve Account, plus the aggregate amount of the Debt Repayment Account used to pay Bonds or Third Lien Bonds during the Bond Year is greater than \$10,000,000. If at the beginning of any future Bond Year the compound annual growth rate of Revenues as measured from calendar year 2013 Revenues of \$52,708,722 is 1.5% or less, then the Annual Budgeted General and Administrative Amount for the next Bond Year, as calculated pursuant to the foregoing provisions of this definition, will be reduced by \$300,000, provided that such amount will never be reduced below \$3,595,000.

"Appreciated Value" means, with respect to any Bond that is a Deferred Interest Bond until the Interest Commencement Date thereon, as of any Valuation Date, the amount set forth for such date in the Supplemental Indenture authorizing such Deferred Interest Bond and as of any date other than a Valuation Date, the sum of (i) the Appreciated Value on the preceding Valuation Date (or the initial reoffering price if there is no preceding Valuation Date) and (ii) the product of (1) a fraction, the numerator of which is the number of days having elapsed from the preceding Valuation Date and the denominator of which is the number of days from such preceding Valuation Date to the next succeeding Valuation Date, and (2) the difference between the Appreciated Values for such Valuation Dates. At the request of the Trustee, the Computation Agent shall make all computations with respect to this definition as may be required by this Indenture or any Supplemental Indenture and shall provide the result of its computations to the Trustee.

"Approved Venue Project" means a sports and community project that has been approved as provided in the Enabling Act.

"Assured Guaranty Municipal Corp." or *"AGM"* means Assured Guaranty Municipal Corp. or any successor thereto as the Credit Provider for the Series 2014A Bonds, Series 2014B Bonds, Series 2014C Bonds, and with National for the Series 2001A Bonds.

"Astros Payments" or *"Team Payments"* means the Basic Rentals received by the Issuer pursuant to and as defined in that certain Stadium Lease Agreement dated June 17, 1998, as amended through the date of the Twenty-Seventh Supplemental Indenture of Trust, between the Issuer and Houston Astros LLC, formerly Houston McLane Company, Inc. (the *"Astros"*), and the Royalty Payment received by the Issuer pursuant to and as defined in the License Agreement dated June 17, 1998, as amended through the date of the Twenty-Seventh Supplemental Indenture of Trust, between the Issuer and the Astros.

"Astros Payments Subaccount" means the Subaccount of that name established by **Section 5.1(b)(2)**.

"Available Revenues" means all receipts by the Trustee from the Hotel Occupancy Tax, Vehicle Rental Tax, and Astros Payments, and such additional amounts as may be pledged in writing as part of the Trust Estate, provided that inclusion of such additional amounts as Available Revenues must be approved in writing by each Designated Credit Provider.

"Bond Closing" means the date on which there is delivery by the Issuer of, and payment by the initial purchasers thereof for, a Series of Bonds.

"Bond Counsel" means any qualified firm of lawyers which in the absence of specific direction in the Indenture as to selection is selected by the Issuer and whose expertise in matters relating to the issuance of

obligations by states and their political subdivisions, the interest on which is excludable from gross income for purposes of federal income taxation, is nationally recognized.

"Bond Register" means the register maintained by the Bond Registrar pursuant to *Section 2.6*.

"Bond Registrar" means the Trustee or any successor trustee appointed as Bond Registrar pursuant to *Section 2.3*.

"Bond Related Costs" means (a) all costs, fees and expenses of the Issuer incurred or reasonably related to any Liquidity Facility, Credit Facility, and any remarketing or other secondary market transactions, (b) any fees of Bond Counsel, attorneys, feasibility consultants, engineers, financial advisors, remarketing agents, rebate consultants, accountants and other advisors retained by the Issuer in connection with a Series of Bonds, other than Costs of Issuance, (c) any Hotel Occupancy Tax collection costs, including legal fees for collection of delinquent taxes, (d) any Vehicle Rental Tax collection costs, (e) any investment management costs, including the costs related to Harris County Financial Services, the costs of quarterly investment reviews by the financial advisor, and any other investment related costs, and (f) any other fees, charges and expenses that may be lawfully incurred by the Issuer relating to Bonds, including, without limitation, any obligation of the Issuer to a Credit Provider for a Series of Bonds to repay or reimburse any amounts paid by such Credit Provider due to payment under such Credit Facility and any interest on such repayment obligation unless any such amount constitutes a Bond Service Charge for such Series, or to a Credit Provider for amounts otherwise due and owing under a Credit Agreement.

"Bond Service Charges" means, for any applicable time period or date, the scheduled principal of and premium, if any, and interest (excluding accrued interest paid on the Issue Date) and the fees, expenses and costs of the Trustee, Bond Registrar, Paying Agent, and Computation Agent, if any, on any of the Bonds accruing for that period or due and payable on that date (including principal and premium payable on the next November 15 and excluding principal and premium payable on the November 15 of that Bond Year, and including interest required to be paid on the Interest Payment Date ending any Interest Payment Period commencing during the current Bond Year but excluding interest payable on the Interest Payment Date ending any Interest Payment Period commencing during the previous Bond Year). In determining Bond Service Charges accruing for any period or due and payable on any date, Mandatory Sinking Fund Requirements accruing for that period or due on that date shall be included together with any amount required to be paid for the replenishment of any Debt Service Reserve Account, and any amounts due with respect to Crossover Refunding Bonds prior to the Crossover Refunding Bonds Break Date shall be excluded if and to the extent that such amounts are payable out of Defeasance Securities. For purposes of this definition, unless, with the consent of each Designated Credit Provider, provided to the contrary in the applicable Supplemental Indenture authorizing the issuance of Capital Appreciation Bonds and Deferred Interest Bonds, the scheduled principal and interest portions of the Accreted Value of Capital Appreciation Bonds and the Appreciated Value of Deferred Interest Bonds becoming due at maturity or by virtue of Mandatory Sinking Fund Requirements shall be included in the calculations of accrued and unpaid and accruing interest or principal payments in the year in which such payments are required to be made.

"Bond Year" means for each Series of Bonds, the period ending on the first November 14 following the Bond Closing for such Series of Bonds and each twelve-month calendar period thereafter ending on November 14; provided that, for the purposes of section 148 of the Code, the Issuer may elect a different "Bond Year" as permitted thereby.

"Bondowner" or "Owner" means the person in whose name a Bond is registered in the Bond Register.

"Bonds" means bonds to be issued by the Issuer pursuant to this Indenture and any Supplemental Indenture, and may include notes, commercial paper, or other obligations, and shall include Senior Lien Bonds, Second Lien Bonds, and Junior Lien Bonds, but in no event shall Bonds include Third Lien Bonds.

"Business Day" means any day other than a Saturday, Sunday, legal holiday or a day on which banking institutions in Denver, Colorado and any other city in which is located the corporate trust office of the Trustee primarily responsible for administering this Indenture or, with respect to any Series of Bonds with respect to

which a Credit Facility is outstanding, the principal office of any Credit Provider is located are authorized to close by law or executive order of a regulatory or administrative issuer having jurisdiction in connection therewith.

"Capital Appreciation Bonds" means any Bonds as to which interest is payable as principal only at the maturity or prior redemption thereof. For the purposes of (i) receiving payment of the redemption price, if any, of a Capital Appreciation Bond that is redeemed prior to maturity, and (ii) computing the principal amount of Capital Appreciation Bonds held by the Owner thereof in giving any notice, consent, request, or demand pursuant to the applicable Supplemental Indenture for any purpose whatsoever, the principal amount of a Capital Appreciation Bond as of a specific date shall be deemed to be its Accreted Value as of such date.

"Capitalized Interest" means that portion of the proceeds of any Series of Bonds together that are restricted to be used to pay interest due or to become due on any Series of Bonds.

"Capitalized Interest Period" for any Series of Bonds means the period during which interest accruing on the Bonds is to be paid from Capitalized Interest and for which Capitalized Interest is deposited to the Capitalized Interest Account.

"Certified Interest Rate" means a rate of interest calculated and certified by the Computation Agent to the Issuer and the Trustee as the lesser of (1) (A) the most recently published Bond Buyer Revenue Bond Index rate as of the date of calculation, or if such rate is no longer published then the rate estimated and certified by the Issuer's financial advisor as the rate that would be borne by a Variable Rate Bond or Adjustable Rate Bond, as applicable, if on the date of such certification such Bond were issued as a Bond bearing interest at a fixed rate to its stated maturity plus (B) 0.50%, or (2) the Maximum Interest Rate.

"Chair" means the Chair of the Governing Body of the Issuer or, in the absence of the Chair, the Vice Chair or Secretary/Treasurer of the Governing Body of the Issuer.

"City" means the City of Houston, Texas, a Texas municipal corporation and home rule city.

"Code" or *"Internal Revenue Code"* means the Internal Revenue Code of 1986, as amended by all legislation, if any, enacted on or before the Issue Date, and all applicable Treasury Regulations.

"Computation Agent" means a member firm of the National Association of Securities Dealers, Inc. or Independent Accountants, appointed by the Issuer and, in the reasonable judgment of the Issuer, possessing sufficient expertise in the field of public finance to make the financial computations called for by this Indenture or any Supplemental Indenture issued hereunder. The initial Computation Agent shall be First Southwest Company of Houston, Texas.

"Construction Account" means the Account of that name established by *Section 5.1*.

"Cost of Issuance Account" means the Account of that name established by *Section 5.1*.

"Cost" or *"Cost of a Venue Project"* or *"Project Development Cost"* means all costs to reimburse or pay the costs of planning, acquiring, establishing, developing, constructing, or renovating one or more Approved Venue Projects in the City of Houston, Texas, or Harris County, Texas, to pay the Costs of Issuance relating to Bonds, including Capitalized Interest, and to pay the costs of operating or maintaining one or more Approved Venue Projects.

"Costs of Issuance" means the items of expense payable or reimbursable directly or indirectly by the Issuer and related to the authorization, sale and issuance of Bonds which items of expense shall include without limiting the generality of the foregoing: travel expenses; printing costs; costs of reproducing documents; computer fees and expenses; filing and recording fees; initial fees and charges of the Trustee and its counsel; initial fees and charges of Credit Providers or other parties (including specifically providers of bond insurance policies and surety policies) pursuant to remarketing, indexing or similar agreements; legal fees and charges; auditing fees and expense; financial advisor's fees and charges; Computation Agent's fees and charges; costs of credit ratings; insurance

premiums; fees and charges for execution, transportation and safekeeping of Bonds; and other administrative or other costs of issuing, carrying and repaying such Bonds and investing the proceeds thereof.

"County Repayment Account" means the Account of that name created by *Section 5.1* hereof.

"Credit Agreement" means any reimbursement agreement, revolving credit agreement, or similar instrument between the Issuer (and, if so drafted, the Trustee) and a Credit Provider with respect to a Credit Facility.

"Credit Facility" means a letter of credit, surety bond, liquidity facility, insurance policy or comparable instrument furnished by a Credit Provider with respect to all or a specific portion of one or more Series of Bonds to satisfy in whole or in part the Issuer's obligation to maintain a Reserve Requirement with respect thereto or to secure (a) the payment of debt service (which may include the premium due on payment of a Bond) on Bonds of a specified Series, or a specific portion thereof, (b) the payment of the purchase price (which may include accrued interest to the date of purchase) of Bonds of a specified Series, or a specific portion thereof, on the applicable purchase dates or tender dates, or (c) both the payment of debt service on a specified Series of Bonds, or a specific portion thereof, and the payment of the purchase price of Bonds of a specified Series, or a specific portion thereof, but only if (1), if the Credit Facility is a Debt Service Reserve Account Credit Facility with respect to one or more Series of Bonds, the debt obligations of the Credit Provider providing the Debt Service Reserve Account Credit Facility are, if such Credit Facility is issued at the time of issuance of the Series of Bonds, rated in one of the three highest Rating Categories by S&P and Moody's, and by Fitch, but only if Fitch is then rating such obligations and is also a Rating Agency with respect to the Bonds secured by such Credit Facility, and if such Credit Facility is issued subsequent to such Series of Bonds such debt obligations are rated by such Rating Agencies in the same or a higher rating category as the highest rated of such Series of Bonds, and (2) in every other case the debt obligations of the Credit Provider providing the Credit Facility when the Credit Facility is provided are rated in one of the three highest Rating Categories by S&P and Moody's, and by Fitch, but only if Fitch is then rating such obligations is also a Rating Agency with respect to the Bonds secured by such Credit Facility.

"Credit Provider" means the bank, insurance company, financial institution or other entity providing a Credit Facility or Liquidity Facility pursuant to a Credit Agreement.

"Credit Provider Reimbursement" means an amount sufficient, determined by the Credit Provider and certified to the Trustee by the Credit Provider, to reimburse all amounts then owing to a Credit Provider under the applicable Credit Agreement by reason of any drawing under the related Credit Facility for the payment of principal of or interest on, or purchase price of, any Bonds (but excluding reimbursements of purchase price), or with respect to any Debt Service Reserve Account Credit Facility, the amount required to reimburse the Credit Provider for any draw on the Debt Service Reserve Account Credit Facility.

"Crossover Refunding Bonds" means any Additional Bonds the proceeds of which: (i) are deposited in an escrow account with a Fiduciary, (ii) cannot be applied to the purpose for which such Crossover Refunding Bonds are to be issued until the Crossover Refunding Bonds Break Date, (iii) must be certified by the Issuer to be sufficient, together with the investment income thereon, after the payment of Costs of Issuance and Bond Related Costs, if any, to pay the Bond Service Charges on such Series on and prior to such Crossover Refunding Bonds Break Date and (iv) other than paying or providing for the payment of Costs of Issuance and Bond Related Costs, if any, cannot be used for any purpose (subject to lien and other requirements of the Indenture) other than the payment of Bond Service Charges on such Crossover Refunding Bonds on and prior to the Crossover Refunding Bonds Break Date.

"Crossover Refunding Bonds Break Date" means the date specified in the Supplemental Indenture authorizing a Series of Crossover Refunding Bonds as the date upon which the proceeds of such Crossover Refunding Bonds can be applied to the purpose for which such Crossover Refunding Bonds are to be issued upon the satisfaction of certain conditions, which conditions shall be set forth in such Supplemental Indenture.

"Cumulative Payment Credit" for any Bond Year (i) for each Senior Lien Interest Subaccount and Senior Lien Principal Subaccount, means the amount by which (a) the current Bond Year's total deposits to such Subaccount (including interest paid to such Subaccounts during such Bond Year) as of the day immediately preceding the next scheduled monthly deposit to such Subaccount, exceeds (b) the total deposits which would have

been required to be made to such Subaccount during the current Bond Year as of each such day had all required deposits been made; (ii) for the Second Lien Debt Service Revenue Holding Account, means the amount by which (a) the current Bond Year's total deposits to the Second Lien Debt Service Revenue Holding Account (including interest paid to such Account during such Bond Year) as of the day immediately preceding the next scheduled monthly deposit to such Account, plus the total deposits of Special Revenues or other amounts to each Second Lien Interest Subaccount and each Second Lien Principal Subaccount (including interest paid to such Subaccounts during such Bond Year, but not deposits from the Second Lien Debt Service Revenue Holding Account) as of the day immediately preceding the next scheduled monthly deposit, exceeds (b) the total deposits which would have been required to be made to such Second Lien Debt Service Revenue Holding Account as of each such date had all required deposits been made; and (iii) for the Junior Lien Debt Service Revenue Holding Account, means the amount by which (a) the current Bond Year's total deposits to the Junior Lien Debt Service Revenue Holding Account (including interest paid to such Account during such Bond Year) as of the day immediately preceding the next scheduled monthly deposit to such Account, plus the total deposits of Special Revenues or other amounts to each Junior Lien Interest Subaccount and each Junior Lien Principal Subaccount (including interest paid to such Subaccounts during such Bond Year, but not deposits from the Junior Lien Debt Service Revenue Holding Account) as of the day immediately preceding the next scheduled monthly deposit, exceeds (b) the total deposits which would have been required to be made to such Junior Lien Debt Service Revenue Holding Account as of each such date had all required deposits been made. For Variable Rate Bonds, the amount that would have been required to be made through any date will be calculated based on actual interest accrued on the Variable Rate Bonds. Notwithstanding anything in this definition, "Cumulative Payment Credit" excludes for any period amounts deposited to Accounts or Subaccounts created for Second Lien Bonds or Junior Lien Bonds and applied to Accounts or Subaccounts for a separate lien of Bonds or to the Pledged Revenue Account pursuant to *Sections 5.6, 5.9, 5.12, 5.28, or 5.31*.

"Cumulative Payment Deficit" for any Bond Year means (i) for each Senior Lien Interest Subaccount and Senior Lien Principal Subaccount, means the amount by which (a) the current Bond Year's total deposits to such Subaccount (including interest paid to such Subaccount during such Bond Year) as of the day immediately preceding the next scheduled monthly deposit to such Subaccount, is less than (b) the total deposits which would have been required to be made to such Subaccount during the current Bond Year as of each such day had all required deposits been made; (ii) for the Second Lien Debt Service Revenue Holding Account, means the amount by which (a) the current Bond Year's total deposits to such Second Lien Debt Service Revenue Holding Account (including interest paid to such Account during such Bond Year), as adjusted for replacement deposits of Special Revenues, as of the day immediately preceding the next scheduled monthly deposit to such Account, plus the total deposits of Special Revenues or other amounts to each Second Lien Interest Subaccount and each Second Lien Principal Subaccount (including interest paid to such Subaccounts during such Bond Year, but not deposits from the Second Lien Debt Service Revenue Holding Account) as of the day immediately preceding the next scheduled monthly deposit, is less than (b) the total deposits which would have been required to be made to such Account as of each such day had all required deposits been made; and (iii) for the Junior Lien Debt Service Revenue Holding Account, means the amount by which (a) the current Bond Year's total deposits to such Junior Lien Debt Service Revenue Holding Account (including interest paid to such Account during such Bond Year), as adjusted for replacement deposits of Special Revenues, as of the day immediately preceding the next scheduled monthly deposit to such Account, plus the total deposits of Special Revenues or other amounts to each Junior Lien Interest Subaccount and each Junior Lien Principal Subaccount (including interest paid to such Subaccounts during such Bond Year, but not deposits from the Junior Lien Debt Service Revenue Holding Account) as of the day immediately preceding the next scheduled monthly deposit, is less than (b) the total deposits which would have been required to be made to such Account as of each such day had all required deposits been made. For Variable Rate Bonds, the amount that would have been required to be deposited through any calendar date will be calculated based on actual interest accrued on the Variable Rate Bonds. Notwithstanding anything in this definition, "Cumulative Payment Deficit" excludes for any period amounts withdrawn from Accounts or Subaccounts created for Second Lien Bonds or Junior Lien Bonds and applied to Accounts or Subaccounts for a separate lien of Bonds or to the Pledged Revenue Account pursuant to *Sections 5.6, 5.9, 5.12, 5.28, or 5.31*.

"Current Interest Bonds" means all Bonds which are not (a) Capital Appreciation Bonds or (b) prior to the Interest Commencement Date, Deferred Interest Bonds.

"Debt Repayment Account" means the Account of that name created by *Section 5.1* hereof.

"Debt Service Account" means the Senior Lien Debt Service Account, the Second Lien Debt Service Account, or the Junior Lien Debt Service Account, as applicable.

"Debt Service Requirements" means during the applicable period and as of any date of calculation with respect to any Series of Outstanding Bonds, the aggregate of the Bond Service Charges on such Series, excluding fees and expenses of the Trustee, Bond Registrar, Paying Agent and Computation Agent fees for Junior Lien Bonds for purposes of *Section 6.4*.

"Debt Service Reserve Account" means the Senior Lien Debt Service Reserve Account, Second Lien Debt Service Reserve Account, or the Junior Lien Debt Service Reserve Account, as applicable.

"Debt Service Reserve Account Credit Facility" means a Credit Facility provided to satisfy all or any portion of a Debt Service Reserve Requirement.

"Debt Service Reserve Requirement" means as of any date of calculation, and with respect to any Series of Bonds, the sum of the Reserve Requirements applicable to that Series of Bonds then Outstanding.

"Defeasance Securities" means:

- (i) direct and general obligations of, or obligations which as to principal and interest are unconditionally guaranteed as to full and timely payment by, the United States of America, to the payment of which the full faith and credit of the United States of America is irrevocably and unconditionally pledged. The obligations described in this paragraph are hereinafter called *"United States Government Obligations"*;
- (ii) if accompanied by an opinion of Bond Counsel licensed to practice law in the State of Texas to the effect that such obligations are authorized by Texas law as an investment of the funds under consideration, pre-refunded municipal obligations meeting the following conditions:
 - (a) the municipal obligations (1) are not subject to redemption prior to maturity or (2) the trustee has been given irrevocable instructions concerning their calling and redemption and the issuer of such municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;
 - (b) the municipal obligations are secured by cash or non-callable United States Government Obligations that may be applied only to interest, principal and premium payments of such municipal obligations;
 - (c) the principal of and interest on such securities (plus any cash in the escrow fund) are sufficient to meet the liabilities of the municipal obligations;
 - (d) the cash and securities serving as security for the municipal obligations are held by an escrow agent or trustee;
 - (e) the securities are not available to satisfy any other claims, including those against the trustee or escrow agent; and
 - (f) the municipal obligations have received a Aaa rating from Moody's or AAA from S&P; and
- (iii) for Outstanding Bonds other than the Series 2001A Bonds, Series 2001G Bonds, Series 2001H Bonds and Series 2004A Bonds, any obligations authorized by Texas law, if accompanied by an opinion of Bond Counsel licensed to practice law in the State of Texas to the effect that such obligations are authorized by Texas law.

"Deferred Interest Bonds" means any Bonds as to which accruing interest is not paid prior to the Interest Commencement Date specified in the Supplemental Indenture authorizing such Series and the Appreciated Value for such Series is compounded on the Valuation Date for such Series.

"Depository" means a trust company or other fiduciary acting as a depository pursuant to a Depository Letter Agreement.

"Depository Letter Agreement" means with respect to a Series of Bonds immobilized with a Depository, the Depository Letter Agreement by and between the Issuer and the Depository and may include a blanket letter issued for more than one Series of Bonds and other obligations of the Issuer.

"Designated Credit Provider" means (a) National, so long as National is a Credit Provider for any Series of Junior Lien or Third Lien Bonds which are Outstanding as of the date this Fourth Amended and Restated Indenture of Trust is initially effective, or any Credit Provider Reimbursement with respect thereto is owing to such Credit Provider, and (b) AGM, for so long as AGM is a Credit Provider for Outstanding Bonds.

"Directing Party" has the meaning stated in *Section 11.16*.

"Discharge Date" means the date on which all Outstanding Bonds are discharged under *Article Nine*.

"Dispute" has the meaning stated in *Section 10.12* hereof.

"Eighteenth Supplemental Indenture" means the Eighteenth Supplemental Indenture of Trust dated as of November 1, 2003, between the Issuer and the predecessor to the Trustee, as such Eighteenth Supplemental Indenture may have been amended or supplemented.

"Eighth Supplemental Indenture" means the Eighth Supplemental Indenture of Trust dated as of May 1, 2001, as amended and restated as of December 1, 2014, between the Issuer and the Trustee, as such Eighth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

"Eleventh Supplemental Indenture" means the Second Amended And Restated Eleventh Supplemental Indenture Of Trust dated as of May 1, 2001, and Amended and Restated as of November 1, 2003 and June 1, 2004, between the Issuer and the predecessor to the Trustee, as such Eleventh Supplemental Indenture may have been amended or supplemented.

"Enabling Act" means Act of May 20, 1997, 75th Leg., R.S., ch.551, 1997 Tex. Gen. & Spec. Laws 1929, including specifically those provisions thereof codified as chapters 334 and 335, Texas Local Government Code, as now or hereafter amended, and Texas Local Government Code chapter 1371, as now or hereafter amended.

"Event of Default" means any of the events set forth in *Section 10.1* hereof.

"Excess Revenues" has the meaning stated in *Section 5.4(a)(30)* hereof.

"Fiduciary" means any bank or other organization acting in a fiduciary capacity with respect to any Bonds, whether as Trustee, Paying Agent, Bond Registrar, tender agent, or escrow agent, or in a similar function; provided that a Depository shall not be considered a Fiduciary hereunder.

"Fifteenth Supplemental Indenture" means the Fifteenth Supplemental Indenture of Trust dated as of December 15, 2001, as amended and restated as of December 1, 2014, between the Issuer and the Trustee, as such Fifteenth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

"Fifth Supplemental Indenture" means the Fifth Supplemental Indenture of Trust dated as of December 1, 2000, between the Issuer and the predecessor to the Trustee, as such Fifth Supplemental Indenture may have been amended or supplemented.

"Final Payment Date" means the Maturity Date, Discharge Date or Purchase Date on which all Outstanding Bonds of a specific Series either mature, are to be redeemed, are discharged under *Article Nine*, or are purchased and cancelled under *Section 2.15*, whichever date is earlier.

"First and Second Lien Accounts" means the Accounts and Subaccounts funded from the Revenue flow of funds under *Section 5.4(a)(1)* through *(16)*, and including any future Accounts or Subaccounts funded on or before *Section 5.4(a)(16)*.

"First Supplemental Indenture" means the First Supplemental Indenture of Trust dated as of August 15, 1998, between the Issuer and the predecessor to the Trustee, as such First Supplemental Indenture may have been amended or supplemented.

"Fiscal Year" means the fiscal year of the Issuer which currently is the twelve month period ending December 31 of each calendar year.

"Fitch" means Fitch Investors Service, Inc., or any successor thereof which qualifies as a "Rating Agency" hereunder.

"Fixed Interest Rate Bond" means (a) a Bond, the interest rate on which is established (with no right to vary) at the time of calculation at a single numerical rate for the remaining term of such Bond, or (b) all of those Bonds of a specific maturity described in clause (B)(1) and (2) of paragraph (i) of the definition of Adjusted Debt Service Requirements herein.

"Fourteenth Supplemental Indenture" means the Fourteenth Supplemental Indenture of Trust dated as of November 1, 2001, between the Issuer and the predecessor to the Trustee, as such Fourteenth Supplemental Indenture may have been amended or supplemented.

"Fourth Supplemental Indenture" means the Fourth Supplemental Indenture of Trust dated as of December 1, 2000, between the Issuer and the predecessor to the Trustee, as such Fourth Supplemental Indenture may have been amended or supplemented.

"General and Administrative Account" means the Account of the Issuer established by *Section 5.23*.

"Governing Body" means the Board of Directors of the Issuer.

"Hotel Occupancy Tax" means the hotel occupancy tax imposed by the Issuer by the Issuer Tax Resolutions.

"Increasing Revenues" has the meaning stated in *Section 6.3(b)*.

"Indenture" means this Fourth Amended and Restated Indenture of Trust by and between the Issuer and the Trustee, and, as to each Series of Bonds, the Supplemental Indenture pertaining thereto, as the Indenture or any Supplemental Indenture may from time to time be amended or supplemented as herein or therein provided.

"Independent Accountant" means a certified public accountant or firm of certified public accountants selected by the Issuer, and not a full-time employee or officer of the Issuer.

"Independent Counsel" means any attorney designated by the Trustee, duly admitted to practice law before the highest court of any state, who may be counsel to the Issuer but who may not be a full-time employee of the Issuer.

"Interest Commencement Date" means, with respect to any particular Deferred Interest Bonds, the date specified in the applicable Supplemental Indenture authorizing such Deferred Interest Bonds (which date must be prior to the maturity date for such Deferred Interest Bonds), after which interest accruing on such Deferred Interest Bonds shall be payable with the first such payment date being the applicable Interest Payment Date immediately succeeding such Interest Commencement Date.

"Interest Payment Date" means each date specified in a Supplemental Indenture as a date for the payment of interest to Owners of Bonds of a specific Series.

"Interest Payment Period" with respect to any Bond or Series of Bonds, means, if prior to the first Interest Payment Date, the period from and including the date specified in each Supplemental Indenture as the date for commencement of accrual of interest for such Bond or Series and after the first regularly scheduled Interest Payment Date means the period from and including a regularly scheduled Interest Payment Date, in each case to but not including the next regularly scheduled Interest Payment Date, provided that any Supplemental Indenture may adjust this definition of the term "Interest Payment Period" with respect to any Bond or Series of Bonds authorized to be issued thereunder in order to provide for the proper computation of or the timely transfer of amounts payable with respect to interest borne by such Bond or Series of Bonds on any Interest Payment Date.

"Issue Date" for the Bonds of a particular Series is the date on which the Bonds of such Series are delivered against payment therefor.

"Issuer" means Harris County-Houston Sports Authority, a political subdivision of Harris County, Texas, The City of Houston, Texas, and the State of Texas, or any successor to its functions.

"Issuer Representative" means one or more of the Chair, Vice Chair, Secretary-Treasurer or such other officer identified by resolution of the Governing Body as being the "Issuer Representative" for purposes of this Indenture or any Supplemental Indenture.

"Issuer Tax Resolutions" means that certain Resolution entitled "Resolution Imposing Hotel Occupancy Tax" adopted by the Issuer on September 10, 1997, as now or hereafter amended, and that certain Resolution entitled "Resolution Imposing Short-Term Motor Vehicle Rental Tax" adopted by the Issuer on September 17, 1997, as now or hereafter amended, and any other further resolution adopted by the board of the Issuer under or pursuant to the Enabling Act for the express purpose of raising amounts thereunder to be pledged pursuant to this Indenture or any Supplemental Indenture.

"Junior Lien Bonds" means obligations of the Issuer issued pursuant to any Supplemental Indenture as Junior Lien Bonds.

"Junior Lien Capitalized Interest Subaccount" means the Subaccount of that name in the Junior Lien Debt Service Account established by **Section 5.1** and the applicable Supplemental Indenture.

"Junior Lien Credit Subaccount" means a Subaccount of that name in the a Junior Lien Debt Service Account or Junior Lien Debt Service Reserve Account, as applicable, established by **Section 5.1**.

"Junior Lien Debt Service Account" means the fund by the name created by **Section 5.1**.

"Junior Lien Debt Service Reserve Account" means the fund of that name established by **Section 5.1**.

"Junior Lien Debt Service Revenue Holding Account" means the Account of the Issuer established by **Section 5.1**.

"Junior Lien Expense Subaccount" means the Subaccount of that name in the Junior Lien Debt Service Account established by **Section 5.1** and the applicable Supplemental Indenture.

"Junior Lien Interest Subaccount" means the Subaccount of that name in the Junior Lien Debt Service Account established by **Section 5.1** and the applicable Supplemental Indenture.

"Junior Lien Principal Subaccount" means the Subaccount of that name in the Junior Lien Debt Service Account established by **Section 5.1** and the applicable Supplemental Indenture.

"Junior Lien Purchase Subaccount" means the Subaccount of that name in the Junior Lien Debt Service Account established by **Section 5.1** and the applicable Supplemental Indenture.

"Junior Lien Redemption Subaccount" means the Subaccount of that name in the Junior Lien Debt Service Account established by **Section 5.1**.

"Junior Monthly Interest Payment (Fixed)" for any Series of Fixed Interest Rate Junior Lien Bonds means an amount equal to the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year (whether or not any such Interest Payment Period ends within such current Bond Year), divided by the number of months occurring within such Bond Year with respect to such Fixed Interest Rate Junior Lien Bonds, plus for any month the Cumulative Payment Deficit, until each Junior Lien Interest Subaccount has on deposit with respect to such Bonds payable from a Junior Lien Interest Subaccount an amount equal to the aggregate interest accruing or to accrue with respect to such Bonds during such Bond Year (such transfers to be subject to the credits provided for in **Section 5.4(a)(17)(B)**). At the request of the Trustee, the Computation Agent shall make all computations with respect to this definition as may be required by this Indenture or any Supplemental Indenture and shall provide the result of its computations to the Trustee.

"Junior Monthly Interest Payment (Non-Fixed)" for any Series of Variable Interest Rate Junior Lien Bonds means an amount equal to the interest accruing or to accrue with respect to all Interest Payment Periods which commence during the current Bond Year (whether or not any such Interest Payment Period ends within such current Bond Year), divided by the number of months occurring within such Bond Year with respect to such Variable Interest Rate Junior Lien Bonds, plus for any month the Cumulative Payment Deficit, until each Junior Lien Interest Subaccount has on deposit with respect to such Bonds an amount equal to the aggregate interest accruing or to accrue with respect to such Bonds payable from a Junior Lien Interest Subaccount for all such Interest Payment Periods which commence during such Bond Year (such transfers to be subject to the credits provided for in **Section 5.4(a)(17)(B)**). The interest accruing on Variable Interest Rate Junior Lien Bonds may be calculated initially based on the Certified Interest Rate but may be adjusted from time to time by the Trustee upon consultation with the Issuer to account for the actual rates borne by the Variable Interest Rate Junior Lien Bonds. At the request of the Trustee, the Computation Agent shall make all computations with respect to this definition as may be required by this Indenture or any Supplemental Indenture and shall provide the result of its computations to the Trustee.

"Junior Monthly Principal Payment" for any Series of Junior Lien Bonds means an amount, equal to the principal due on the next succeeding November 15 on such Bonds whether by stated maturity or pursuant to Mandatory Sinking Fund Requirements divided by twelve, plus for any month the Cumulative Payment Deficit, until each Junior Lien Principal Subaccount has on deposit an amount equal to the aggregate principal of such Junior Lien Bonds payable therefrom on such November 15, subject to any credit for any amount required or authorized under a Supplemental Indenture to be deposited on a specific Series of Junior Lien Bonds and deposited to the Junior Lien Principal Subaccount of such Series. At the request of the Trustee, the Computation Agent shall make all computations with respect to this definition as may be required by this Indenture or any Supplemental Indenture and shall provide the result of its computations to the Trustee.

"Liquidity Facility" means any agreement with a Credit Provider under or pursuant to which it agrees to purchase Optional Tender Bonds provided that the debt obligations of such Credit Provider are rated in one of the two highest Rating Categories by S&P and Moody's (but only if such Rating Agencies are a Rating Agency with respect to the Optional Tender Bonds) and Fitch (if Fitch is a Rating Agency with respect to the Optional Tender Bonds and if Fitch then rates the Credit Provider).

"Mandatory Sinking Fund Payments" means the amounts of principal scheduled to be paid on account of Term Bonds on any specific Principal Payment Date or Principal Payment Dates prior to maturity.

"Mandatory Sinking Fund Requirements" means the principal amount of Term Bonds which are required to be redeemed by mandatory sinking fund redemption, in the principal amounts, at the prices and on the dates as set forth in the applicable Supplemental Indenture.

"Mandatory Tender Date" means a date on which a Series of Bonds, or specific Bonds included in such Series, are required to be purchased by, or on behalf of, the Issuer as provided herein or in the Supplemental Indenture authorizing such Series of Bonds.

"Maturity Date" means a Principal Payment Date, whether occurring by reason of a scheduled maturity of principal or by reason of Mandatory Sinking Fund Requirements.

"Maximum Interest Rate" means during any applicable period and as of any date of calculation with respect to any particular Bonds, Series of Bonds or other obligations which are Adjustable Rate Bonds or which bear interest at a Variable Interest Rate, a numerical rate of interest, which is set forth in the Supplemental Indenture authorizing such Bonds, that shall be the maximum rate of interest such Bonds may bear at any time during such applicable period; provided, however, the net effective interest rate for any Series of Bonds shall never exceed the maximum rate permitted by chapter 1204, Texas Government Code, as now or hereafter amended.

"Moody's" means Moody's Investors Services or any successor thereof which qualifies as a "Rating Agency" hereunder.

"National Insured Bonds" means the Outstanding Series 2001G Bonds, Series 2001H Bonds, Series 2004A Bonds, and if National is the Credit Provider for the Series 2001A Bonds under the Eighth Supplemental Indenture, the Series 2001A Bonds.

"National Insured Bonds Debt Service Reserve Account" means the Account of that name created by *Section 5.1* hereof.

"National Public Finance Guarantee Corp." or *"National"* means National Public Finance Guarantee Corporation, as successor to MBIA Insurance Corporation, or any successor thereto as the Credit Provider for National Insured Bonds.

"National System" means the computerized national securities clearance and settlement system to register transfer of ownership interests in debt securities by making book entries on the books of a Depository, and through which payments are distributed to Participants as shown on the books of the Depository as the owners of such interests.

"Nineteenth Supplemental Indenture" means the Nineteenth Supplemental Indenture of Trust dated as of March 1, 2004, between the Issuer and the predecessor to the Trustee, as such Nineteenth Supplemental Indenture may have been amended or supplemented.

"Ninth Supplemental Indenture" means the Ninth Supplemental Indenture of Trust dated as of May 1, 2001, between the Issuer and the predecessor to the Trustee, as such Ninth Supplemental Indenture may have been amended or supplemented.

"NFL Club" means Houston NFL Holdings, L.P., or any successor in interest thereto.

"Notice of Negotiation" has the meaning stated in *Section 10.12* hereof.

"Optional Tender Bonds" means any Bonds which by their terms may be tendered by and at the option of, or required to be tendered by, the Owner thereof for payment or purchase by the Issuer or another party prior to the stated maturity thereof, or the maturities of which may be extended by and at the option of the Owner

thereof, provided, however, a Supplemental Indenture may expressly provide that specific Bonds are not "Optional Tender Bonds" if, in the reasonable judgment of the Issuer, the tender requirements of such Bonds are not of the character intended to be included within this definition.

"*Original Indenture*" as used in each Supplemental Indenture means this Fourth Amended and Restated Indenture dated as of August 15, 1998, as amended and restated on May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014, in the form attached as *Exhibit A* to the Twenty-Seventh Supplemental Indenture.

"*Original Purchaser*" means the investment banker(s), broker-dealer(s), financial institution(s) or other person(s) which purchase a specific Series of Bonds from the Issuer upon the initial offering and sale of such Series of Bonds; an investment banker or broker-dealer acting in the capacity of a placement agent shall not be deemed an "Original Purchaser".

"*Outstanding Bonds*", "*Bonds Outstanding*" and "*Bonds then Outstanding*" means as of the date of determination, all Bonds theretofore issued and delivered under this Indenture as from time to time supplemented except:

- (a) Bonds theretofore cancelled by the Trustee or Paying Agent or delivered to the Trustee or Paying Agent cancelled or for cancellation;
- (b) Bonds for which payment or redemption moneys or securities (as provided in *Article Nine*) shall have been theretofore deposited with the Trustee or Paying Agent in trust for the Owners of such Bonds; provided, however, that if such Bonds are to be redeemed, notice of such redemption shall have been duly given pursuant to this Indenture or irrevocable action shall have been taken to call such Bonds for redemption at a stated redemption date;
- (c) Bonds in exchange for or in lieu of which other Bonds shall have been issued and delivered pursuant to this Indenture; and
- (d) Optional Tender Bonds deemed tendered in accordance with the provisions of the Supplemental Indenture authorizing such Bonds on the applicable tender, adjustment or conversion date, if interest thereon shall have been paid through such applicable date and the purchase price thereof shall have been paid or amounts are available for such payments as provided therein.

In determining requisite percentages of the Owners of aggregate principal amount of Bonds Outstanding for the purposes of direction, consent, approval or waiver under the terms and provision of this Indenture and any Supplemental Indenture: (i) the aggregate "principal amount" of any Bonds that are Capital Appreciation Bonds shall be determined by their Accreted Value as of the date of such determination, and (ii) the aggregate "principal amount" of any Bonds that are Deferred Interest Bonds shall be determined by their Appreciated Value as of the date of such determination and provided, however, that in determining whether the Owners of the requisite principal amount of Outstanding Bonds have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Bonds the ownership or beneficial ownership of which is owned by the Issuer, the Harris County Sports & Convention Corporation, the Rodeo, or the NFL Club shall be disregarded and deemed not to be Outstanding Bonds, except that in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent, or waiver, only Bonds which the Trustee knows or reasonably believes to be so owned shall be disregarded.

Each Supplemental Indenture may further specify the conditions under which a Credit Provider will be deemed the Owner of Outstanding Bonds for purposes of consents hereto.

"*Participants*" means the financial institutions or securities dealers for whom the Depository effects book-entry transfers.

"Paying Agent" means the Trustee or any other entity designated hereby or pursuant to a Supplemental Indenture as the agent of the Issuer and the Trustee to receive and disburse to the Bondowners the principal or the premium, if any, and interest on the Bonds.

"Payment Date" means a Maturity Date, an Interest Payment Date, a Purchase Date or the Discharge Date, as the case may be.

"Permitted Investments" means and include any security, if and to the extent the same is at the time legal for investment of the Issuer's funds pursuant to the Public Funds Investment Act, Texas Government Code section 2256, as from time to time in effect, or any successor statute thereto.

"Permitted Money Market Funds" means money market funds which are Permitted Investments and which are either rated in the highest investment grade category by S&P or Moody's or are comprised entirely of U.S. Treasury obligations. Permitted Money Market Funds may include funds for which the Trustee or any of its affiliates serves as sponsor, custodian, or investment advisor, or for which the Trustee or any of its affiliates receive compensation.

"Pledge Agreement" means a Pledge Agreement entered into with respect to a specific Series of Bonds or specific Bonds within a Series of Variable Rate Bonds or Adjustable Rate Bonds and related to the Credit Facility for such Series of Bonds or a portion thereof.

"Pledged Accounts" includes the Senior Lien Debt Service Account (for the Senior Lien Bonds), Second Lien Debt Service Account (for the Second Lien Bonds), the Junior Lien Debt Service Account (for the Junior Lien Bonds), the Pledged Revenue Account, the Special Revenue Account, the Senior Lien Debt Service Reserve Account (for the Senior Lien Bonds), the Second Lien Debt Service Reserve Account (for the Second Lien Bonds), the Second Lien Debt Service Revenue Holding Account (for the Second Lien Bonds), the Junior Lien Debt Service Reserve Account (for the Junior Lien Bonds), the Junior Lien Debt Service Revenue Holding Account (for the Junior Lien Bonds), the Costs of Issuance Account, the Construction Account to the extent not required for payment of the Costs of an Authorized Venue Project and any other Account hereafter so designated in a Supplemental Indenture.

"Pledged Revenue Account" means the fund of that name created by *Section 5.1* hereof.

"Principal Payment Date" means any date on which an installment of principal is scheduled to become due on Bonds, whether by scheduled maturity or Mandatory Sinking Fund Requirements or otherwise.

"Project" means an Approved Venue Project and any improvements thereto and other costs to be financed in connection with a Series of Bonds.

"Proportionate Basis" means, when used with respect to the redemption of Bonds of a specific Series, that the aggregate principal amount of such Bonds of each maturity of such Series to be redeemed shall be determined as nearly as practicable by multiplying the total amount of funds available for redemption by the ratio which the principal amount of Bonds of that Series to be redeemed bears to the principal amount of all Bonds of that Series then Outstanding; provided that if the amount available for redemption of Bonds of any maturity is insufficient to redeem a multiple of \$5,000 principal amount of such maturity, such amount shall be applied to the redemption of the highest possible integral multiple of \$5,000 principal amount of such maturity. For purposes of the foregoing, Term Bonds shall be deemed to mature in the years and in the amounts of the Mandatory Sinking Fund Requirements set forth in the applicable Supplemental Indenture. Any Bonds purchased with moneys which would otherwise be applied to redemption on a Proportionate Basis on the next succeeding Payment Date shall be taken into account in determining "Proportionate Basis" with respect to such redemption. When used with respect to the purchase of Bonds, "Proportionate Basis" shall have the same meaning as set forth above, substituting "purchase" for "redemption," and "purchased" for "redeemed".

"Purchase Date" means the date on which any Outstanding Bonds of any Series are purchased pursuant to *Section 2.15* and any applicable Supplemental Indenture relating to such Series.

"*Purchaser*" means the person or entity specified in a Supplemental Indenture as the original purchaser or purchasers of a Series of Bonds.

"*Rating Agency*" or "*Rating Agencies*", as applicable, means with respect to any specific Series of Bonds, S&P, Moody's and Fitch, or any other recognized national credit rating agency, to the extent that any of them then has in effect a rating for such specific Series of Bonds.

"*Rating Category*" means one of the generic rating categories of the applicable Rating Agency, without regard to any refinements or gradation of such generic rating category by numerical or other modifier.

"*RCM*" means RCM Financial Services, L.P., or any successor in interest thereto.

"*RCM Obligation*" means that certain Amended and Restated Reimbursement Agreement by and between the Authority and the Sports Corporation and assigned by the Sports Corporation to Harris County, dated as of September 18, 2006.

"*Reasonable Costs of Collection*" means (i) the normal administrative costs and statutory and regulatory costs of collecting and applying Revenues and Special Revenues, and (ii) additional enforcement costs, but, provided that if a Designated Credit Provider is not otherwise in default in its payment obligations under any Credit Facility, only with the consent of such Designated Credit Provider.

"*Rebate Account*" means the account of that name established by *Section 5.1* hereof and the applicable Supplemental Indenture.

"*Rebate Amount*" means the amount required to be paid to the United States Treasury pursuant to section 148(f) of the Code and the Treasury Regulations thereunder.

"*Rebate Expert*" means such firm of accountants, lawyers or other persons experienced in matters relating to compliance with the rebate requirements under section 148(f) of the Code, selected by the Issuer and not unacceptable to the Trustee or, upon failure of the Issuer to designate a Rebate Expert, the person designated by the Trustee pursuant to *Section 5.15*.

"*Redemption Date*" means with respect to any Bond the date on which such Bond may be redeemed by mandatory or optional redemption pursuant to the terms of a Supplemental Indenture.

"*Regular Record Date*" means with respect to any Interest Payment Date on a Series of Bonds, the day specified as the Regular Record Date for such Series in the Supplemental Indenture relating thereto.

"*Related Agreements*" or "*Related Documents*" means any Credit Facility, Credit Agreement or Pledge Agreement related to a Series of Bonds or a specific portion thereof, including security agreements or instruments heretofore or hereafter made for the benefit of the Trustee or a Credit Provider as creditor to secure payment of any Series of Bonds or a specific portion thereof or any amount due to a Credit Provider, of which the Trustee is in possession or is notified in writing by the Issuer; but excluding this Indenture and all Supplemental Indentures; provided, that the term "Related Agreements" or "Related Documents", when used in relation to a specific Series of Bonds or a specific portion thereof, shall include only such Related Documents as have been entered into for such Series of Bonds or a specific portion thereof, and shall not include documents, agreements or other items entered into only for the purposes of a different Series of Bonds or a specific portion thereof.

"*Relevant Funds and Accounts*" has the meaning stated in *Section 11.16*.

"*Relevant Parties*" has the meaning stated in *Section 10.12* hereof.

"*Remarketing Agent*" means the broker-dealer appointed as Remarketing Agent for a specific Series of Bonds pursuant to *Section 12.4* hereof and the applicable Supplemental Indenture.

"Remarketing Agreement" means the Remarketing Agreement for a Series of Bonds or a specific portion thereof, including any amendments and supplements hereto, between the Remarketing Agent and the Issuer.

"Replacement Bonds" means Bonds which replace Bonds immobilized with a Depository.

"Representative" means, the Chair, the Vice Chair or the Secretary-Treasurer of the Issuer, or an officer of a Credit Provider, or any other person at any time designated to act on behalf of the Issuer, Credit Provider, or other entity as the case may be, as evidenced by a written certificate furnished to the other party and the Trustee containing the specimen signature of such person and signed for the Issuer by its Chair or Secretary-Treasurer or for a Credit Provider or other entity by an officer thereof.

"Reserve Requirement", for any Series of Bonds shall be established in the Supplemental Indenture providing for the issuance of the Bonds of such Series. The Debt Service Reserve Requirement may be satisfied by cash, Permitted Investments or a Debt Service Reserve Account Credit Facility, or any combination thereof.

"Responsible Agent" means any person duly authorized and designated by the Trustee to act on its behalf in carrying out the applicable duties and powers of the Trustee as set forth in this Indenture as from time to time supplemented. Any action required by the Trustee under the Indenture may be taken by a Responsible Agent.

"Revenue" or Revenues" means all amounts received from time to time by the Issuer or the Trustee which are (a) receipts from the Hotel Occupancy Tax or Vehicle Rental Tax; (b) proceeds of a Credit Facility, if any, received by the Trustee to pay the principal of, premium, if any, purchase price and interest on any Series of Bonds or a specific portion thereof; (c) other amounts (including, without limitation, earnings on the Pledged Accounts) required by this Indenture or Related Agreements to be deposited in a Pledged Account established hereby and (d) other amounts, funds, accounts, revenues, receivables, or other security irrevocably pledged or assigned as part of the Trust Estate for any Series of Bonds pursuant to a Supplemental Indenture in connection with the issuance of one or more Series of Bonds; provided however, notwithstanding any other provision of this Indenture or any Supplemental Indenture to the contrary, the Issuer may provide in any Supplemental Indenture authorizing any Series of Bonds that the payments to be made under and the amounts to be received with respect to any Credit Facility, Liquidity Facility or Related Agreements shall constitute Revenues which are only available to secure the specific Bonds or specific Series of Bonds authorized by such Supplemental Indenture.

"Revenue Recycling Account" means the Account of that name created by **Section 5.1** hereby.

"Rodeo" means the Houston Livestock Show and Rodeo, Inc., or any successor thereto under the Rodeo Lease.

"Rules" has the meaning stated in **Section 10.12** hereof.

"S&P" means Standard & Poor's Ratings Services or any successor thereof which qualifies as a "Rating Agency" hereunder.

"Second Lien Bonds" means obligations of the Issuer issued pursuant to any Supplemental Indenture as Second Lien Bonds.

"Second Lien Capitalized Interest Subaccount" means the Subaccount of that name in the Second Lien Debt Service Account established by **Section 5.1** and the applicable Supplemental Indenture.

"Second Lien Credit Subaccount" means a Subaccount of that name in the a Second Lien Debt Service Account or Second Lien Debt Service Reserve Account, as applicable, established by **Section 5.1**.

"Second Lien Debt Service Account" means the fund of that name created by **Section 5.1**.

"Second Lien Debt Service Reserve Account" means the fund of that name established by *Section 5.1*.

"Second Lien Debt Service Revenue Holding Account" means the Account of the Issuer established by *Section 5.1*.

"Second Lien Expense Subaccount" means the Subaccount of that name in the Second Lien Debt Service Account established by *Section 5.1* and the applicable Supplemental Indenture.

"Second Lien Interest Subaccount" means the Subaccount of that name in the Second Lien Debt Service Account established by *Section 5.1* and the applicable Supplemental Indenture.

"Second Lien Monthly Interest Payment (Fixed)" for any Series of Fixed Interest Rate Second Lien Bonds means an amount equal to the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year (whether or not any such Interest Payment Period ends within such current Bond Year), divided by the number of months occurring within such Bond Year with respect to such Fixed Interest Rate Second Lien Bonds, plus for any month the Cumulative Payment Deficit until each Second Lien Interest Subaccount has on deposit with respect to such Bonds payable from such Second Lien Interest Subaccount an amount equal to the aggregate interest accruing or to accrue with respect to such Bonds during such Bond Year (such transfers to be subject to the credits provided for in *Section 5.4(a)(9)(B)*). At the request of the Trustee, the Computation Agent shall make all computations with respect to this definition as may be required by this Indenture or any Supplemental Indenture and shall provide the result of its computations to the Trustee.

"Second Lien Monthly Interest Payment (Non-Fixed)" for any Series of Variable Interest Rate Second Lien Bonds means an amount equal to the interest accruing or to accrue with respect to all Interest Payment Periods which commence during the current Bond Year (whether or not any such Interest Payment Period ends within such current Bond Year), divided by the number of months occurring within such Bond Year with respect to such Variable Interest Rate Second Lien Bonds, plus for any month the Cumulative Payment Deficit until each Second Lien Interest Subaccount has on deposit with respect to such Bonds an amount equal to the aggregate interest accruing or to accrue with respect to such Bonds payable from such Second Lien Interest Subaccount for all such Interest Payment Periods which commence during such Bond Year (such transfers to be subject to the credits provided for in *Section 5.4(a)(9)(B)*). The interest accruing on Variable Interest Rate Second Lien Bonds may be calculated initially based on the Certified Interest Rate but may be adjusted from time to time by the Trustee upon consultation with the Issuer to account for the actual rates borne by the Variable Interest Rate Second Lien Bonds. At the request of the Trustee, the Computation Agent shall make all computations with respect to this definition as may be required by this Indenture or any Supplemental Indenture and shall provide the result of its computations to the Trustee.

"Second Lien Monthly Principal Payment" for any Series of Second Lien Bonds means an amount, equal to the principal due on the next succeeding November 15 on such Bonds, whether by stated maturity or pursuant to Mandatory Sinking Fund Requirements divided by twelve, plus for any month the Cumulative Payment Deficit, until each Second Lien Principal Subaccount has on deposit an amount equal to the aggregate principal of such Second Lien Bonds payable therefrom on such November 15, subject to any credit for any amount required or authorized under a Supplemental Indenture to be deposited on a specific Series of Second Lien Bonds and deposited to the Second Lien Principal Subaccount of such Series. At the request of the Trustee, the Computation Agent shall make all computations with respect to this definition as may be required by this Indenture or any Supplemental Indenture and shall provide the result of its computations to the Trustee.

"Second Lien Principal Subaccount" means the Subaccount of that name in the Second Lien Debt Service Account established by *Section 5.1* and the applicable Supplemental Indenture.

"Second Lien Purchase Subaccount" means the Subaccount of that name in the Second Lien Debt Service Account established by *Section 5.1* and the applicable Supplemental Indenture.

"Second Lien Redemption Subaccount" means the Subaccount of that name in the Second Lien Debt Service Account established by **Section 5.1**.

"Second Supplemental Indenture" means the Second Supplemental Indenture of Trust dated as of August 15, 1998, between the Issuer and the predecessor to the Trustee as such Second Supplemental Indenture may have been amended or supplemented.

"Secretary" or *"Secretary-Treasurer"* means the Secretary-Treasurer of the Governing Body of the Issuer or in the absence of the Secretary-Treasurer, a member of the Governing Body designated to act for the Secretary-Treasurer.

"Senior Lien Bonds" means obligations of the Issuer issued pursuant to any Supplemental Indenture as Senior Lien Bonds.

"Senior Lien Capitalized Interest Subaccount" means the Subaccount of that name in the Senior Lien Debt Service Account established by **Section 5.1** and the applicable Supplemental Indenture.

"Senior Lien Credit Subaccount" means a Subaccount of that name in the a Senior Lien Debt Service Account or Senior Lien Debt Service Reserve Account, as applicable, established by **Section 5.1**.

"Senior Lien Debt Service Account" means the fund by the name created by **Section 5.1**.

"Senior Lien Debt Service Reserve Account" means the fund of that name established by **Section 5.1**.

"Senior Lien Expense Subaccount" means the Subaccount of that name in the Senior Lien Debt Service Account established by **Section 5.1** and the applicable Supplemental Indenture.

"Senior Lien Interest Subaccount" means the Subaccount of that name in the Senior Lien Debt Service Account established by **Section 5.1** and the applicable Supplemental Indenture.

"Senior Lien Principal Subaccount" means the Subaccount of that name in the Senior Lien Debt Service Account established by **Section 5.1** and the applicable Supplemental Indenture.

"Senior Lien Purchase Subaccount" means the Subaccount of that name in the Senior Lien Debt Service Account established by **Section 5.1** and the applicable Supplemental Indenture.

"Senior Lien Redemption Subaccount" means the Subaccount of that name in the Senior Lien Debt Service Account established by **Section 5.1**.

"Senior Monthly Interest Payment (Fixed)" for any Series of Fixed Interest Rate Senior Lien Bonds means an amount equal to the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year (whether or not any such Interest Payment Period ends within such current Bond Year), divided by the number of months occurring within such Bond Year with respect to such Fixed Interest Rate Senior Lien Bonds, plus for any month the Cumulative Payment Deficit, until each Senior Lien Interest Subaccount has on deposit with respect to such Bonds payable from such Senior Lien Interest Subaccount an amount equal to the aggregate interest accruing or to accrue with respect to such Bonds during such Bond Year (such transfers to be subject to the credits provided for in **Section 5.4(a)(1)(B)**). At the request of the Trustee, the Computation Agent shall make all computations with respect to this definition as may be required by this Indenture or any Supplemental Indenture and shall provide the result of its computations to the Trustee.

"Senior Monthly Interest Payment (Non-Fixed)" for any Series of Variable Interest Rate Senior Lien Bonds means an amount equal to the interest accruing or to accrue with respect to all Interest Payment Periods which commence during the current Bond Year (whether or not any such Interest Payment Period ends within such current Bond Year), divided by the number of months occurring within such Bond Year with respect to such

Variable Interest Rate Senior Lien Bonds, plus for any month the Cumulative Payment Deficit, until each Senior Lien Interest Subaccount has on deposit with respect to such Bonds an amount equal to the aggregate interest accruing or to accrue with respect to such Bonds payable from such Senior Lien Interest Subaccount for all such Interest Payment Periods which commence during such Bond Year (such transfers to be subject to the credits provided for in *Section 5.4(a)(1)(B)*). The interest accruing on Variable Interest Rate Senior Lien Bonds may be calculated initially based on the Certified Interest Rate but may be adjusted from time to time by the Trustee upon consultation with the Issuer to account for the actual rates borne by the Variable Interest Rate Senior Lien Bonds. At the request of the Trustee, the Computation Agent shall make all computations with respect to this definition as may be required by this Indenture or any Supplemental Indenture and shall provide the result of its computations to the Trustee.

"Senior Monthly Principal Payment" for any Series of Senior Lien Bonds means an amount, equal to the principal due on the next succeeding November 15 on such Bonds whether by stated maturity or pursuant to Mandatory Sinking Fund Requirements divided by twelve, plus for any month the Cumulative Payment Deficit, until each Senior Lien Principal Subaccount has on deposit an amount equal to the aggregate principal of such Senior Lien Bonds payable therefrom on such November 15, subject to any credit for any amount required or authorized under a Supplemental Indenture to be deposited on a specific Series of Senior Lien Bonds and deposited to the Senior Lien Principal Subaccount of such Series. At the request of the Trustee, the Computation Agent shall make all computations with respect to this definition as may be required by this Indenture or any Supplemental Indenture and shall provide the result of its computations to the Trustee.

"Separate Trustee" has the meaning stated in *Section 11.16*.

"Series" means Bonds identified as a separate Series and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to this Indenture or any Supplemental Indenture.

"Series 1998A Bonds" means those Bonds which are issued under the First Supplemental Indenture.

"Series 1998B Bonds" means those Bonds which are issued under the Second Supplemental Indenture.

"Series 1998C Bonds" means those Bonds which are issued under the Third Supplemental Indenture.

"Series 2000A-1 Bonds" means those Bonds which are issued under the Fourth Supplemental Indenture.

"Series 2000A-2 Bonds" means those Bonds which are issued under the Fifth Supplemental Indenture.

"Series 2000A-3 Bonds" means those Bonds which are issued under the Sixth Supplemental Indenture.

"Series 2001 Reserve and Replacement Account" means the fund by the name created by the Twelfth Supplemental Indenture.

"Series 2001A Bonds" means those Bonds which are issued under the Eighth Supplemental Indenture.

"Series 2001B Bonds" means those Bonds which are issued under the Ninth Supplemental Indenture.

"Series 2001C-1 Note" means the Harris County-Houston Sports Authority Subordinate Lien Note, Series 2001C-1 Note, as amended.

"Series 2001C-2 Note" means the Harris County-Houston Sports Authority Subordinate Lien Note, Series 2001C-2 Note, as amended.

"Series 2001G Bonds" means those Bonds which are issued under the Fifteenth Supplemental Indenture.

"Series 2001H Bonds" means those Bonds which are issued under the Sixteenth Supplemental Indenture.

"Series 2001I Bonds" means those Bonds which are issued under the Seventeenth Supplemental Indenture.

"Series 2004 Bonds" means those Third Lien Bonds which are issued under the Twentieth Supplemental Indenture.

"Series 2014A Bonds" means those Bonds which are issued under the Twenty-Fourth Supplemental Indenture.

"Series 2014B Bonds" means those Bonds which are issued under the Twenty-Fifth Supplemental Indenture.

"Series 2014C Bonds" means those Bonds which are issued under the Twenty-Sixth Supplemental Indenture.

"Series 2020A Bonds" means those Bonds which are issued under the Twenty-Eighth Supplemental Indenture.

"Series 2020B Bonds" means those Bonds which are issued under the Twenty-Ninth Supplemental Indenture.

"Series 2020C Bonds" means those Bonds which are issued under the Thirtieth Supplemental Indenture.

"Seventh Supplemental Indenture" means the Seventh Supplemental Indenture of Trust dated as of May 1, 2001, between the Issuer and the predecessor to the Trustee as such Seventh Supplemental Indenture may have been amended or supplemented.

"Seventeenth Supplemental Indenture" means the Seventeenth Supplemental Indenture of Trust dated as of December 15, 2001, between the Issuer and the predecessor to the Trustee as such Seventeenth Supplemental Indenture may have been amended or supplemented.

"Sixth Supplemental Indenture" means the Sixth Supplemental Indenture of Trust dated as of December 1, 2000, between the Issuer and the predecessor to the Trustee, as such Sixth Supplemental Indenture may have been amended or supplemented.

"Sixteenth Supplemental Indenture" means the Sixteenth Supplemental Indenture of Trust dated as of December 15, 2001, as amended and restated as of December 1, 2014, between the Issuer and the Trustee, as such Sixteenth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

"SLGS" means United States Treasury obligations - State and Local Government Series, as provided for in the United States Treasury Regulation 31 CFR 344.

"Special Record Date" means if the Issuer shall be in default in payment of interest due on an Interest Payment Date, a Special Record Date for the payment of such defaulted interest established by notice mailed by the Trustee on behalf of the Issuer; notice of such Special Record Date shall be mailed to the then Owners.

of the Bonds not less than 10 days preceding such Special Record Date, to the Owner at the close of business on the fifth Business Day preceding the date of mailing.

"Special Revenue Account" means the Account of that name established pursuant to **Section 5.1**.

"Special Revenues" means any Astros Payments or such additional amounts as hereafter may be pledged under any Supplemental Indenture as Special Revenues in connection with the issuance of one or more Series of Bonds.

"Sports Corporation" means the Harris County Sports & Convention Corporation or any successor thereto.

"State" means the State of Texas.

"Substitute Depository" means a trust company or other fiduciary which replaces a Depository.

"Supplemental Indenture" means any supplemental indenture supplementing or amending the terms hereof and entered into by the Issuer and the Trustee pursuant to **Article Six** or **Sections 12.1** or **12.2**.

"Surplus Account" means the Account of that name in **Section 5.20** of this Indenture.

"Taxable Bonds" means any Bonds which are not Tax-Exempt Bonds on the date of original issue thereof, and which the Issuer designates as "Taxable Bonds" in the Supplemental Indenture authorizing such Bonds.

"Tax Covenants" means the covenants of the Issuer expressed in or incorporated by reference into **Article Seven** of this Indenture, or in the corresponding section of a Supplemental Indenture providing for assurance of the preservation of the tax-exempt status of the interest on a Series of Tax-Exempt Bonds.

"Tax-Exempt Bonds" means Bonds issued pursuant to this Indenture for which the Issuer receives, on the date of the Bond Closing therefor, an opinion of Bond Counsel to the effect that interest on such Bonds is excludable from the gross income of the owners thereof for federal income tax purposes under section 103 of the Code.

"Tenth Supplemental Indenture" means the Amended And Restated Tenth Supplemental Indenture Of Trust dated as of May 1, 2001, and Amended and Restated as of November 1, 2003, between the Issuer and the predecessor to the Trustee, as such Tenth Supplemental Indenture may have been amended or supplemented.

"Term Bonds" means Bonds which are subject to scheduled Mandatory Sinking Fund Requirements prior to maturity.

"Third Lien Bonds" means the Series 2004 Bonds and any other obligations of the Issuer issued under a Supplemental Indenture or other instrument authorizing one or more Series of Third Lien Bonds pursuant to **Section 6.7** hereof.

"Third Lien Bonds Account" means one or more accounts and subaccounts of that name created by a Supplemental Indenture or other instrument authorizing issuance of one or more Series of Third Lien Bonds.

"Third Supplemental Indenture" means the Third Supplemental Indenture of Trust dated as of August 15, 1998, between the Issuer and the predecessor to the Trustee, as such Third Supplemental Indenture may have been amended or supplemented.

"Thirteenth Supplemental Indenture" means the Thirteenth Supplemental Indenture of Trust dated as of November 1, 2001, between the Issuer and the predecessor to the Trustee, as such Thirteenth Supplemental Indenture may have been amended or supplemented.

"Thirtieth Supplemental Indenture" means the Thirtieth Supplemental Indenture of Trust dated as of October 1, 2020, between the Issuer and the trustee, as such Thirtieth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented. *"Thirty-First Supplemental Indenture"* means the Thirty-First Supplemental Indenture of Trust dated as of October 1, 2020, between the Issuer and the trustee, as such Thirty-First Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

"Treasury Regulations" means all final, temporary or proposed Income Tax Regulations issued or amended with respect to the Code by the Treasury or Internal Revenue Service and applicable to the Bonds. Any reference to a section of the Treasury Regulations shall also refer to any successor provision to such section hereafter promulgated by the Internal Revenue Service pursuant to the Code and applicable to the Bonds.

"Trustee" means UMB Bank, National Association, located in Denver, Colorado, in its capacity as Trustee under this Indenture, and any co-trustee or successor trustee appointed, qualified and then acting as such under the provisions of this Indenture.

"Trust Estate" means the Revenues, Special Revenues, Trust Moneys, the tangible and intangible properties, rights and other assets described in the Granting Clauses of this Indenture (including the Pledged Accounts) as from time to time supplemented, and (with respect to a specific Series of Bonds or specific Bonds within a Series) such funds, rights, properties and assets pledged to secure a Series of Bonds or specific Bonds within a Series pursuant to a Supplemental Indenture.

"Trust Moneys" shall have the meaning assigned thereto in *Section 5.1(c)* hereof.

"Twelfth Supplemental Indenture" means the Second Amended And Restated Twelfth Supplemental Indenture Of Trust dated as of May 1, 2001, and Amended and Restated as of November 1, 2003 and June 1, 2004, between the Issuer and the predecessor to the Trustee, as such Twelfth Supplemental Indenture may have been amended or supplemented.

"Twentieth Supplemental Indenture" means the Twentieth Supplemental Indenture of Trust dated as of June 1, 2004, as amended and restated as of December 1, 2014, between the Issuer and the Trustee, as such Twentieth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

"Twenty-Eighth Supplemental Indenture" means the Twenty-Eighth Supplemental Indenture of Trust dated as of October 1, 2020, between the Issuer and the trustee, as such Twenty-Eighth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

"Twenty-Fifth Supplemental Indenture" means the Twenty-Fifth Supplemental Indenture of Trust dated as of December 1, 2014, between the Issuer and the Trustee, as such Twenty-Fifth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

"Twenty-First Supplemental Indenture" means the Twenty-first Supplemental Indenture of Trust dated as of June 1, 2004, between the Issuer and the predecessor to the Trustee, as such Twenty-First Supplemental Indenture may have been amended or supplemented.

"Twenty-Fourth Supplemental Indenture" means the Twenty-Fourth Supplemental Indenture of Trust dated as of December 1, 2014, between the Issuer and the trustee, as such Twenty-Fourth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

"Twenty-Ninth Supplemental Indenture" means the Twenty-Ninth Supplemental Indenture of Trust dated as of October 1, 2020, between the Issuer and the trustee, as such Twenty-Ninth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

"Twenty-Second Supplemental Indenture" means the Twenty-Second Supplemental Indenture of Trust dated as of September 1, 2005, between the Issuer and the predecessor to the Trustee, as such Twenty-Second Supplemental Indenture may have been amended or supplemented.

"Twenty-Sixth Supplemental Indenture" means the Twenty-Sixth Supplemental Indenture of Trust dated as of December 1, 2014, between the Issuer and the Trustee, as such Twenty-Sixth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

"Twenty-Third Supplemental Indenture" means the Twenty-Third Supplemental Indenture of Trust dated as of May 1, 2008, between the Issuer and the predecessor to the Trustee, as such Twenty-Third Supplemental Indenture may have been amended or supplemented.

"Unpaid Bonds" shall mean all Outstanding Bonds and any other Bonds which have neither matured nor been redeemed or purchased and cancelled under this Indenture.

"Valuation Date" means with respect to any Bonds that are Capital Appreciation Bonds, the date or dates set forth in the Supplemental Indenture authorizing such Bonds on which specific Accreted Values are assigned to such Bonds and with respect to any Bonds that are Deferred Interest Bonds, the date or dates set forth in the Supplemental Indenture authorizing such Bonds on which specific Appreciated Values are assigned to such Bonds.

"Variable Interest Rate" means a variable interest rate or rates to be borne by a Series of Bonds or other obligations or by any Bond within a Series of Bonds. The method of computing such variable interest rate shall be specified in the Supplemental Indenture authorizing such Bonds or Related Agreements approved thereby.

"Variable Rate Bond" means any Bond which bears a Variable Interest Rate which rate is not established at the time of calculation at a single numerical rate for the remaining term of such Bond and for which the period from the most recent determination of the rate to the next such date for redetermination of the rate is two years or less.

"Vehicle Rental Tax" means the short-term motor vehicle rental tax imposed by the Issuer Tax Resolutions.

"Venue Project Fund" means the Venue Project Fund of the Issuer, the creation of which is confirmed by *Section 5.1*, and all Accounts and subaccounts thereof.

* * *

Section 2.2. Redemption; Purchase

The Bonds of any Series issued pursuant to this Indenture and a Supplemental Indenture may be subject to optional redemption, or to mandatory redemption and prepayment on a scheduled or other basis, provided that the Mandatory Sinking Fund Requirements of Bonds of a particular Series and maturity shall be reduced, as provided herein or in the applicable Supplemental Indenture, if and to the extent the Bonds of that Series and maturity have been or will be optionally or mandatorily redeemed, in whole or part, prior to or on the date scheduled for payment of the specified principal amount on the dates and at the redemption prices specified in the applicable Supplemental Indenture. Redemption may be in whole or in part of the Bonds subject to prepayment; provided that there shall be no reduction of the amount scheduled for redemption on a mandatory redemption date except to the extent Bonds of the maturity to be redeemed have been optionally or mandatorily redeemed or will be optionally or mandatorily redeemed on the scheduled redemption date as provided above, and except that the Issuer may, at its option, purchase Bonds of the maturity to be redeemed and upon surrender of such purchased Bonds to the Trustee and cancellation thereof apply the principal amount purchased and cancelled as a credit against the principal amount to be redeemed.

Unless otherwise specified herein or in a Supplemental Indenture, if an optional redemption is in part, Bonds of a Series shall be prepaid and redeemed in any order as the Issuer shall direct the Trustee in writing. Any redemption in whole or part from the proceeds of a specific Series of Bonds shall be a redemption only of that Series; in all other cases, the Issuer shall direct the Trustee in writing as to which Series of Bonds are to be redeemed, in what amounts and, if permitted by the applicable Supplemental Indenture, the maturities or specific

Bonds within a maturity to be redeemed. If only part of the Bonds having a common maturity date are called for prepayment, the Bonds may be prepaid in \$5,000 increments of principal (or, in the case of Capital Appreciation Bonds or Deferred Interest Bonds which are subject to redemption prior to maturity or the Interest Commencement Date, as applicable, in \$5,000 increments of Accreted Value at maturity or Appreciated Value at the Interest Commencement Date, as applicable) and the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar as hereinafter provided. Bonds or portions thereof called for redemption shall be due and payable on the redemption date. On or before the redemption date, the Issuer shall deposit or cause to be deposited with the Trustee money sufficient and available to pay the redemption price of and accrued interest on all Bonds to be redeemed on that date, and from and after such date, notice having been given and deposit having been made in accordance with *Articles Two and Five* respectively, then, notwithstanding that any Bonds called for redemption have not been surrendered, no further interest shall accrue on any such Bonds. From and after such redemption date (such notice having been given and such deposit having been made) the Bonds to be redeemed shall not be deemed to be Outstanding hereunder.

If and to the extent that Bonds of the same Series and stated maturity are not all entitled to the benefit of the same Credit Facility or Bonds of the same Series and maturity date provide for interest or principal to be computed or paid differently than with respect to other Bonds of the same Series and stated maturity, then each portion of such Series of Bonds having the same stated maturity but not secured by the same Credit Facility or providing for different computation or payment of principal and interest shall be treated as if such portion of such Series of Bonds have a separate and distinct "maturity" for purposes of selection for redemption as may be further provided for in the Supplemental Indenture authorizing the same.

The Trustee shall call Bonds for optional redemption and payment as herein provided upon receipt by the Trustee at least 45 days prior to the redemption date of a request of the Issuer, in written form. Such request shall specify the principal amount and Series of Bonds to be called for optional redemption, the redemption date and the redemption price. In all other cases, the Trustee shall call Bonds for redemption as directed for the applicable Series of Bonds by this Indenture or a Supplemental Indenture.

Published notice of redemption, if required in a Supplemental Indenture, shall in each case be given, and mailed notice of redemption shall be given to the Paying Agent (if other than the Trustee) and to each affected Owner. If and when any of the Bonds shall be called for redemption and payment prior to the stated maturity thereof, the Trustee shall give written notice in the name of the Issuer that such Bonds will be redeemed and paid at the office of the Trustee or the Paying Agent. Mailed notice of redemption shall be given by first class mail, postage prepaid for all other Owners of Bonds to be redeemed, mailed not less than 30 days prior to the redemption date, to each Owner of Bonds to be redeemed, at the address appearing in the Bond Register; provided that if a Depository Letter Agreement contains other or different requirements for delivery to a Depository, then the provisions of the Depository Letter Agreement shall be followed for that Owner. All notices of redemption shall state:

- (a) The official name of the issue with applicable Series designation and date of original issue;
- (b) The redemption date;
- (c) The redemption price;
- (d) The CUSIP numbers assigned to the Bonds to be redeemed, the maturity date of such Bonds and any applicable certificate numbers if Bonds are redeemed in part;
- (e) If less than all Outstanding Bonds of the applicable Series are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts, Accreted Values or Appreciated Values as applicable) of the Bonds to be redeemed;

- (f) That on the redemption date, the redemption price will become due and payable upon each such Bond, and that interest thereon shall cease to accrue from and after said date; and
- (g) The place where such Bonds are to be surrendered for payment of the redemption price (which shall be the designated office of the Trustee or Paying Agent) and a telephone number and person at such office who may be contacted with questions relating to such redemption.

Failure to provide written notice to any Owner of Bonds to be redeemed or any defect therein shall not affect the validity of the proceedings for the redemption of any Bonds for which no such failure or defect has occurred.

* * *

ARTICLE THREE PARTICULAR COVENANTS OF THE ISSUER

Section 3.1. Compliance with Requirements of the Act.

The Issuer covenants and agrees that it will faithfully and diligently observe and comply with the requirements of all laws, and in particular the Enabling Act, applicable to the Bonds.

Section 3.2. Extension of Payment of Bonds.

The Issuer shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of interest. Nothing herein shall be deemed to limit the right of the Issuer to issue refunding bonds and such issuance shall not be deemed to constitute an extension of maturity of Bonds refunded thereby.

Section 3.3. Offices for Servicing Bonds.

The Issuer shall at all times cause the Trustee to maintain one or more offices where Bonds may be presented for payment and where Bonds may be presented for registration, transfer or exchange.

Section 3.4. Power to Issue Bonds and to Pledge and Collaterally Assign Revenues, Special Revenues, and Other Accounts.

The Issuer is duly authorized under all applicable laws, including but not limited to the Enabling Act, to authorize and issue the Bonds and to execute and deliver the Indenture and to pledge and collaterally assign and grant liens and security interests in the Revenues, Special Revenues and other monies, securities and funds comprising the Trust Estate (including the Pledged Accounts) as contemplated by this Indenture in the manner and to the extent provided in this Indenture. The Revenues, Special Revenues, and other money, securities and funds so pledged and collaterally assigned as part of the Trust Estate are and will be free and clear of any pledge, lien, security interest, charge or encumbrance thereon or with respect thereto, other than the pledge, collateral assignment, lien and security interest created or otherwise permitted by this Indenture, and all necessary action on the part of the Issuer to that end has been duly and validly taken. The Bonds and the provisions of this Indenture are and will be the valid and legally enforceable obligations of the Issuer in accordance with their terms. For so long as any Bonds secured thereby are Outstanding or any Bond Related Costs or any Bond Service Charges are unpaid, the Issuer shall at all times impose and collect the taxes and other fees and charges which constitute the Revenues, Special Revenues, and other money, securities, and funds pledged and granted as part of the Trust Estate in an amount sufficient to pay amounts owing or to be owed on the Bonds and all other Bond Related Costs and Bond Service Charges. The Issuer shall at all times defend, preserve and protect the pledge, collateral assignment, lien and security interest in and on the Revenues, Special Revenues, and other money, securities and funds pledged and granted as part of the Trust Estate under this Indenture and all the rights of the Bondowners under this Indenture against all claims and demands of all persons whomsoever.

Section 3.5. Creation of Liens.

Except as provided in this Indenture, unless the pledge, assignment, lien and security interest created in this Indenture is discharged and satisfied as provided in *Section 9.1*, the Issuer shall not issue any bonds, notes, debentures, or other evidences of indebtedness of similar nature, other than Additional Bonds, payable out of or secured by a pledge or assignment of or lien or security interest in any of the items of security established under the Granting Clauses of this Indenture as a part of the Trust Estate, or create or cause to be created any other pledge or assignment of, or lien, charge or encumbrance on, any of said items, which pledge or assignment, lien, charge, or encumbrance is prior or superior to or on a parity with the pledge or assignment of, or lien, charge or encumbrance to the lien of this Indenture. The Issuer reserves the right to issue such other bonds or other indebtedness payable from and secured by its operating revenues or other funds or sources other than Revenues, Special Revenues, or money securities or funds pledged or collaterally assigned as part of the Trust Estate under this Indenture.

Section 3.6. Transfer of Vehicle Rental Tax and Hotel Occupancy Taxes.

The Issuer covenants to direct the Office of the Texas Comptroller of Public Accounts and any successor thereto, as collector of the Vehicle Rental Tax, to pay to the Trustee as soon as practicable after collection, or shall pay to the Trustee as soon as practicable after receipt, less Reasonable Costs of Collection, the Vehicle Rental Tax. The Issuer covenants to direct Harris County, Texas, or any successor thereto, as collector of the Hotel Occupancy Tax, to pay to the Trustee as soon as practicable after collection, less Reasonable Costs of Collection, the Hotel Occupancy Tax. To the extent that revenues of the Vehicle Rental Tax or the Hotel Occupancy Tax are received by the Issuer, the Issuer shall immediately transfer such revenues less the Reasonable Costs of Collection to the Trustee.

Section 3.7. Transfer of Special Revenues, Compliance with Terms of Lease or Other Agreements.

The Issuer covenants to enforce and collect payment of any Special Revenues owed to the Issuer pursuant to any lease or other agreement, and to comply with the terms of any such agreement as necessary to prevent the declaration of a material event of default against the Issuer. The Issuer will deposit any Special Revenues when and as received, less any Reasonable Costs of Collection, to the Special Revenue Account held by the Trustee.

Section 3.8. Completion of Approved Venue Projects.

To the extent that the Issuer has covenanted in any agreement pursuant to which it will receive Special Revenues to complete or maintain an Approved Venue Project as a condition of receipt of Special Revenues, then the Issuer hereby covenants to so complete and maintain such Approved Venue Project in the manner required by such agreement for the payment to or on behalf of the Issuer of the Special Revenues to be paid thereunder.

**ARTICLE FOUR
BOND COVENANTS**

Section 4.1. Payment of Principal, Premium and Interest.

Solely from the moneys derived from amounts available from the Revenues, Special Revenues, and the Trust Estate, the Issuer will duly and punctually pay the principal of, premium, if any, and interest on the Bonds in accordance with the terms of the Bonds and the Indenture. The moneys and other assets pledged hereby shall include all moneys derived from the sources identified in the Granting Clauses set forth herein and in each Supplemental Indenture, including, but not limited to, trust funds deposited in the Accounts established under *Article Five* herein to the extent and in the manner provided in said Article. Nothing in the Bonds or in the Indenture shall be considered as assigning or pledging funds or assets of the Issuer other than those covered by the Granting Clauses set forth herein and in each Supplemental Indenture. Except as specifically provided for herein, no Special Revenues shall be available for payment of Tax-Exempt Bonds.

Section 4.2. Performance of and Authority for Covenants.

The Issuer represents and covenants that it will faithfully perform at all times any and all of its covenants, undertakings, stipulations and provisions contained in the Indenture, in any and every Bond executed, authenticated and delivered hereunder and in all proceedings of its Governing Body pertaining thereto; that it is duly authorized under the Constitution and laws of the State, including particularly and without limitation the Enabling Act, to issue the Bonds authorized hereby, to execute the Indenture, to assign and pledge the Revenues, Special Revenues, and the Trust Estate in the manner and to the extent herein set forth; that any action on its part for the issuance of the Bonds and the execution and delivery of this Indenture has been or will be duly and effectively taken; and that the Bonds in the hands of the Owners thereof are and will be valid and enforceable special limited obligations of the Issuer according to the terms thereof.

Section 4.3. Instruments of Further Assurance.

The Issuer represents and covenants that it has not made, done, executed or suffered, and will not make, do, execute or suffer, any act or thing whereby its interest in the Revenues, Special Revenues, or Trust Estate or any part thereof is now or at any time hereafter impaired, changed or encumbered in any manner whatsoever, except as may be expressly permitted herein; and that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such instruments supplemental hereto and such further acts, instruments and transfers as the Trustee may reasonably require for the better assuring, transferring, pledging, assigning and confirming unto the Trustee all and singular the sums assigned and pledged hereby to the payment of the principal of and interest on the Bonds.

Section 4.4. Recording and Filing.

The Trustee agrees that to the extent it has been provided Uniform Commercial Code filing statements filed to preserve and protect the security of the Owners of the Bonds and the rights of the Trustee hereunder, the Trustee shall, not less often than on or before the fifth anniversary of the filing of such statements, file continuation statements in the same place as the original filing. The Trustee shall have no liability with respect to any errors in any continuation statement so filed, and makes no representations as to the effectiveness of any such filing.

Section 4.5. Books and Records.

The Trustee covenants that so long as any Outstanding Bonds issued hereunder and secured by the Indenture shall be unpaid, the Trustee will keep records and accounts in accordance with accepted industry practice in relation to the Projects, this Indenture, and the Related Agreements. At reasonable times and under reasonable regulations established by the Trustee and to the extent permitted by applicable law, such records shall be open to the inspection of the Original Purchaser(s), the Owners (subject to the provisions of *Section 4.6*), the Issuer, each Credit Provider, and such accountants or other agents as the Trustee may from time to time designate. All costs and expenses of the Trustee relating to any such inspection or production of documents and records shall be reimbursed by the Issuer.

Section 4.6. Bondowners' and Issuer's Access to Bond Register.

At reasonable times and under reasonable regulations established by the Trustee and to the extent permitted by applicable law, the Bond Register or a copy thereof may be inspected and copied by Owners (or a designated representative thereof) of 25% or more in principal amount of the then Outstanding Bonds, such authorization of any such designated representative to be evidenced to the reasonable satisfaction of the Trustee and the Issuer. Except as otherwise may be provided by law, the Bond Registrar shall not make the Bond Register available for inspection by the public, unless and until notice to the contrary is given to the Trustee by the Issuer.

Section 4.7. Rights of Credit Providers.

This Indenture contemplates that Credit Facilities or Liquidity Facilities may secure all or some Series of Bonds, or portions thereof, and that the Issuer will accept and deposit with the Trustee the related Credit Facilities or Liquidity Facilities, and will enter into related Credit Agreements and Related Agreements. The Issuer

hereby covenants to keep and abide by and comply with all agreements on its part expressed therein, and to pay to each Credit Provider, but only to the extent provided herein from Revenues, Special Revenues, and the Trust Estate or as otherwise provided in a Supplemental Indenture, all amounts due to such Credit Provider in accordance with the terms of the applicable Credit Agreement and Related Agreements related thereto. The Trustee similarly covenants to disburse from Account held hereunder to the extent of amounts therein, amounts owed by the Issuer to such Credit Provider, as set forth herein or in any Supplemental Indenture.

Notwithstanding anything to the contrary contained herein or in any Supplemental Indenture or in any Credit Facility, Liquidity Facility, or Credit Agreement, the lien on and security interest in the Revenues, Special Revenues, and Trust Estate in favor of Credit Providers shall be subordinate and junior to the lien on and interest in the Revenues, Special Revenues, and Trust Estate in favor of the Owners except and to the extent that any such Credit Provider honors any drawing or other demand properly submitted for payment in the manner and subject to the conditions set forth in the applicable Supplemental Indenture and Credit Facility or Liquidity Facility, in which case such Credit Provider shall have such rights as shall be provided for in the Supplemental Indenture pursuant to which any Bonds secured by the related Credit Facility or Liquidity Facility were issued.

ARTICLE FIVE FUNDS AND ACCOUNTS

Section 5.1. Pledge of Revenues; Confirmation of Venue Project Fund; Creation of Accounts; "Trust Moneys" Defined.

- (a) The proceeds of each Series of Bonds (other than refunding Bonds the proceeds of which are applied to discharge and satisfy Bonds under Article Nine of this Indenture) and all Revenues and Special Revenues and other sums pledged and assigned by this Indenture or any Supplemental Indenture to the Trustee for the benefit of the Bondowners are to be deposited in the Accounts and Subaccounts of the Venue Project Fund described in this Article and hereby established, and, upon deposit with the Trustee in said Accounts and Subaccounts, shall not be subject to any lien other than the lien of this Indenture or attachment by any creditor of the Issuer or any Credit Provider or any other person. The Revenues, Special Revenues, and other sums so pledged and collaterally assigned to the Trustee for the benefit of the Bondowners (as may be further limited herein) and the Credit Provider shall include all of the following:
 - (1) Amounts received which are Hotel Occupancy Taxes or Vehicle Rental Taxes;
 - (2) Special Revenues (but, except as expressly provided herein for the Allowed Special Revenue Amount, solely for the Taxable Bonds);
 - (3) Bond proceeds to the extent not required to pay Costs of a Venue Project;
 - (4) Proceeds of a Credit Facility, if any, drawn to pay the principal of, premium, if any, and interest on any Series of Bonds or a specific portion thereof;
 - (5) Other amounts (including, without limitation, earnings on the Pledged Accounts) required by this Indenture or Related Agreements to be deposited in any Pledged Accounts (other than any Rebate Amount and other than any amounts in the Rebate Account); and
 - (6) Any other amounts, funds, accounts, revenues, receivables, or other security pledged or assigned to the Trustee pursuant to a Supplemental Indenture in connection with the issuance of one or more Series of Bonds.
- (b) The Issuer hereby confirms creation of the Venue Project Fund, and hereby creates and shall maintain or cause to be maintained the following Accounts and Subaccounts therein

to be held by the Trustee, to be held and administered as trust funds under and pursuant to the terms of the Indenture, as hereafter provided:

- (1) The Pledged Revenue Account, to be held by the Trustee;
- (2) The Special Revenue Account, and the Astros Payments Subaccount therein, to be held by the Trustee;
- (3) The Senior Lien Debt Service Account, to be held by the Trustee with such separate Subaccounts therein as shall be provided herein or in the Supplemental Indenture creating each Series of Senior Lien Bonds, including, as applicable, any of the following accounts therein:
 - (A) A Senior Lien Interest Subaccount;
 - (B) A Senior Lien Principal Subaccount;
 - (C) A Senior Lien Redemption Subaccount;
 - (D) A Senior Lien Credit Subaccount with respect to each Credit Facility which is not a Debt Service Reserve Account Credit Facility;
 - (E) A Senior Lien Expense Subaccount;
 - (F) A Senior Lien Purchase Subaccount;
 - (G) A Senior Lien Capitalized Interest Subaccount;
- (4) The Senior Lien Debt Service Reserve Account, to be held by the Trustee, with such separate Series Senior Lien Debt Service Reserve Subaccounts and Senior Lien Credit Subaccounts therein as the Issuer shall determine in any Supplemental Indenture authorizing a Series of Senior Lien Bonds;
- (5) A Second Lien Debt Service Revenue Holding Account;
- (6) The Second Lien Debt Service Account, to be held by the Trustee with such separate Subaccounts therein as shall be provided herein or in the Supplemental Indenture creating each Series of Second Lien Bonds, including, as applicable, any of the following accounts therein:
 - (A) A Second Lien Interest Subaccount;
 - (B) A Second Lien Principal Subaccount;
 - (C) A Second Lien Redemption Subaccount;
 - (D) A Second Lien Credit Subaccount with respect to each Credit Facility which is not a Debt Service Reserve Account Credit Facility;
 - (E) A Second Lien Expense Subaccount;
 - (F) A Second Lien Purchase Subaccount;
 - (G) A Second Lien Capitalized Interest Subaccount;

- (7) The Second Lien Debt Service Reserve Account, to be held by the Trustee, with such separate Series Second Lien Debt Service Reserve Subaccounts and Second Lien Credit Subaccounts therein as the Issuer shall determine in any Supplemental Indenture authorizing a Series of Second Lien Bonds;
- (8) A Junior Lien Debt Service Revenue Holding Account;
- (9) The Junior Lien Debt Service Account, to be held by the Trustee with such separate Subaccounts therein as shall be provided herein or in the Supplemental Indenture creating each Series of Junior Lien Bonds, including, as applicable, any of the following accounts therein:
 - (A) A Junior Lien Interest Subaccount;
 - (B) A Junior Lien Principal Subaccount;
 - (C) A Junior Lien Redemption Subaccount;
 - (D) A Junior Lien Credit Subaccount with respect to each Credit Facility which is not a Debt Service Reserve Account Credit Facility;
 - (E) A Junior Lien Expense Subaccount;
 - (F) A Junior Lien Purchase Subaccount;
 - (G) A Junior Lien Capitalized Interest Subaccount;
 - (H) Any other Account or Subaccount established by the applicable Supplemental Indenture.
- (10) The Junior Lien Debt Service Reserve Account, to be held by the Trustee, with such separate Series Junior Lien Debt Service Reserve Subaccounts and Junior Lien Credit Subaccounts therein as the Issuer shall determine in any Supplemental Indenture authorizing a Series of Junior Lien Bonds;
- (11) The Construction Account, to be held by the Trustee with such separate Subaccounts therein to be held in accordance with **Section 5.3** as the Issuer shall determine in any Supplemental Indenture;
- (12) The Cost of Issuance Account and such accounts therein as the Issuer shall determine in any Supplemental Indenture, to be held by the Trustee; and
- (13) A General and Administrative Account;
- (14) A Rebate Account, to be held by the Trustee;
- (14.1) the Revenue Recycling Account;
- (15) the National Insured Bonds Debt Service Reserve Account;
- (16) the Debt Repayment Account; and
- (17) the County Repayment Account.

* * *

Section 5.2. Pledged Revenue Account and Special Revenue Account: Astros Payments Subaccount.

- (a) The Trustee shall deposit to the Pledged Revenue Account if, as, and when received, all Vehicle Rental Taxes and Hotel Occupancy Taxes directed to the Trustee pursuant to **Section 3.6**, other amounts required by this Article, and such other revenues as may hereafter be received by the Trustee which are designated for deposit to the Pledged Revenue Account under a Supplemental Indenture. The Pledged Revenue Account shall be applied as provided in this Article.
- (b) The Trustee shall deposit to the Special Revenue Account if, as, and when received all Special Revenues directed to the Trustee pursuant to **Section 3.7**, other amounts required by this Article, and such other revenues as may hereafter be received by the Trustee which are designated for deposit to the Special Revenue Account under a Supplemental Indenture. The Special Revenue Account shall be applied as provided in this Article.
- (c) Prior to application of amounts deposited to the Pledged Revenue Account or the Special Revenue Account as provided herein, the Trustee shall, at the written direction of the Issuer, invest amounts in either such Account in a Permitted Money Market Fund, and any earnings thereon shall be treated as additional Revenues or Special Revenues, as applicable, deposited to the Account in which the investment is held.
- (d) There is hereby created and established with the Trustee the Astros Payments Subaccount of the Special Revenue Account. The Trustee shall deposit to the Astros Payments Subaccount if, as, and when received, all Astros Payments directed to the Trustee, and other amounts hereafter required by Supplemental Indentures or this Indenture, and such other revenues as may hereafter be received by the Trustee which are designated for deposit to the Astros Payments Subaccount under a Supplemental Indenture.
- (e) If there are amounts in the Astros Payments Subaccount, the Trustee shall apply such amounts in the Astros Payments Subaccount monthly on the same date and immediately before application of the Pledged Revenue Account as follows:

First, until in any Bond Year there has been deposited to the applicable Subaccounts of the Debt Service Account the entire Adjusted Debt Service Requirement for that Bond Year for the Senior Lien Bonds, there shall be deposited (i) to the Senior Lien Interest Subaccounts for the Taxable Senior Lien Bonds an amount equal to the total amount of the Senior Monthly Interest Payments (Fixed), or Senior Monthly Interest Payments (non-Fixed), required for any Taxable Senior Lien Bonds for the period commencing on the last day on which interest was due and provided for through the earlier of the next May 15 or November 15, as applicable, calculated without regard to prior deposits of Revenues to the Senior Lien Interest Subaccounts for such Taxable Senior Lien Bonds, and (ii) to the Senior Lien Interest Subaccounts for the Tax Exempt Senior Lien Bonds (but only to the extent of the Allowed Special Revenue Amount with respect to such Bonds) an amount equal to the amount of the Senior Monthly Interest Payment (Fixed), or Senior Monthly Interest Payment (non-Fixed), required for any Tax Exempt Senior Lien Bonds for the month of the deposit, giving full credit for any Revenues previously deposited for such Tax Exempt Senior Lien Bonds; and then

Second, until in any Bond Year there has been deposited to the applicable Subaccounts of the Debt Service Account the entire Adjusted Debt Service Requirement for that Bond Year for the Senior Lien Bonds, there shall be deposited (i) to the Senior Lien Principal Subaccounts for the Taxable Senior Lien Bonds an amount equal to the total amount of the Senior Monthly Principal Payments required to be deposited to such Subaccounts for the period commencing on the last day on which interest was due and provided for through the earlier of the next May 15 or November 15, as applicable, calculated without regard to prior deposits of Revenues to the Senior Lien Principal Subaccounts for such

Taxable Senior Lien Bonds, and (ii) to the Senior Lien Principal Subaccounts for the Tax Exempt Senior Lien Bonds (but only to the extent of the Allowed Special Revenue Amount with respect to such Bonds) an amount equal to the amount of the Senior Monthly Principal Payment, required to be deposited for any Tax Exempt Senior Lien Bonds for the month of the deposit, giving full credit for any Revenues previously deposited for such Tax Exempt Senior Lien Bonds; and then

Third, in the order and to the extent required for Revenues for the month of the deposit under **Sections 5.4(a)(3)-(8)**, to the other Subaccounts, and to each Senior Lien Debt Service Reserve Account, but only to the extent of the Allowed Special Revenue Amount with respect to Tax-Exempt Bonds; and then

Fourth, until in any Bond Year there has been deposited to the applicable Subaccounts of the Debt Service Account the entire Adjusted Debt Service Requirement for that Bond Year for the Second Lien Bonds, there shall be deposited (i) to the Second Lien Interest Subaccounts for the Taxable Second Lien Bonds an amount equal to the total amount of the Second Lien Monthly Interest Payments (Fixed), or Second Lien Monthly Interest Payments (non-Fixed), required for any Taxable Second Lien Bonds for the period commencing on the last day on which interest was due and provided for through the earlier of the next May 15 or November 15, as applicable, calculated without regard to prior deposits of Revenues to the Second Lien Debt Service Revenue Holding Account for such Taxable Bonds, and (ii) to the Second Lien Interest Subaccounts for the Tax Exempt Second Lien Bonds (but only to the extent of the Allowed Special Revenue Amount with respect to such Bonds) an amount equal to the amount of the Second Lien Monthly Interest Payment (Fixed), or Second Lien Monthly Interest Payment (non-Fixed), required for any Tax Exempt Second Lien Bonds for the month of the deposit, giving full credit for any Revenues previously deposited to the Second Lien Debt Service Revenue Holding Account for such Tax-Exempt Second Lien Bonds; and then

Fifth, until in any Bond Year there has been deposited to the applicable Subaccounts of the Debt Service Account the entire Adjusted Debt Service Requirement for that Bond Year for the Second Lien Bonds, there shall be deposited (i) to the Second Lien Principal Subaccounts for the Taxable Second Lien Bonds an amount equal to the total amount of the Second Lien Monthly Principal Payments required to be deposited to such Subaccounts for the period commencing on the last day on which interest was due and provided for through the earlier of the next May 15 or November 15, as applicable, calculated without regard to prior deposits of Revenues to the Second Lien Debt Service Revenue Holding Account for such Taxable Bonds, and (ii) to the Second Lien Principal Subaccounts for the Tax Exempt Second Lien Bonds (but only to the extent of the Allowed Special Revenue Amount with respect to such Bonds) an amount equal to the amount of the Second Lien Monthly Principal Payment required to be deposited for any Tax Exempt Second Lien Bonds for the month of such deposit, giving full credit for any Revenues previously deposited to the Second Lien Debt Service Revenue Holding Account for such Tax-Exempt Second Lien Bonds; and then

Sixth, in the order and to the extent required for Revenues for the month of the deposit under **Sections 5.4(a)(11)-(16)**, to the other Subaccounts, and to the Second Lien Debt Service Reserve Account, but only to the extent of the Allowed Special Revenue Amount with respect to Tax-Exempt Bonds; and then

Seventh, until in any Bond Year there has been deposited to the applicable Subaccounts of the Debt Service Account the entire Adjusted Debt Service Requirement for that Bond Year for the Junior Lien Bonds, there shall be deposited (i) to the Junior Lien Interest Subaccounts for the Taxable Junior Lien Bonds an amount equal to the total amount of the Junior Monthly Interest Payments (Fixed), or Junior Monthly Interest Payments (non-Fixed), required for any Taxable Junior Lien Bonds for the period commencing on the

last day on which interest was due and provided for through the earlier of the next May 15 or November 15, as applicable, calculated without regard to prior deposits of Revenues to the Junior Lien Debt Service Revenue Holding Account for such Taxable Bonds, and (ii) to the Junior Lien Interest Subaccounts for the Tax Exempt Junior Lien Bonds (but only to the extent of the Allowed Special Revenue Amount with respect to such Bonds) an amount equal to the amount of the Junior Monthly Interest Payment (Fixed), or Junior Monthly Interest Payment (non-Fixed), required for any Tax Exempt Junior Lien Bond for the month of the deposit, giving full credit for any Revenues previously deposited to the Junior Lien Debt Service Revenue Holding Account for such Tax-Exempt Junior Lien Bonds; and then

Eighth, until in any Bond Year there has been deposited to the applicable Subaccounts of the Debt Service Account the entire Adjusted Debt Service Requirement for that Bond Year for the Junior Lien Bonds, there shall be deposited (i) to the Junior Lien Principal Subaccounts for the Taxable Junior Lien Bonds an amount equal to the total amount of the Junior Monthly Principal Payments required to be deposited to such Subaccounts for the period commencing on the last day on which interest was due and provided for through the earlier of the next May 15 or November 15, as applicable, calculated without regard to prior deposits of Revenues to the Junior Lien Debt Service Revenue Holding Account for such Taxable Bonds, and (ii) to the Junior Lien Principal Subaccounts for the Tax Exempt Junior Lien Bonds (but only to the extent of the Allowed Special Revenue Amount with respect to such Bonds) an amount equal to the amount of the Junior Monthly Principal Payment required to be deposited for any Tax-Exempt Junior Lien Bonds for the month of the deposit, giving full credit for any Revenues previously deposited to the Junior Lien Debt Service Revenue Holding Account for such Tax-Exempt Junior Lien Bonds; and then

Ninth, in the order and to the extent required for Revenues for the month of the deposit under *Sections 5.4(a)(19)-(24)*, to the other Subaccounts, and to each Junior Lien Debt Service Reserve Account, but only to the extent of the Allowed Special Revenue Amount with respect to Tax-Exempt Bonds; and then

Tenth, after satisfying each of the preceding requirements for Senior Lien Bonds, Second Lien Bonds, and Junior Lien Bonds, all additional Astros Payments shall be reapplied for Tax-Exempt Bonds (but only in the amount of the Allowed Special Revenue Amount for Tax-Exempt Bonds), (i) *first* to each Subaccount of the Senior Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Series of Tax-Exempt Senior Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year required to be deposited before the earlier of the next May 15 or November 15 (including all the principal required to be deposited on or before the earlier of the next succeeding May 15 or November 15); *second* to each Subaccount of the Second Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Series of Tax-Exempt Second Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year required to be deposited through the earlier of the next May 15 or November 15 (including all principal required to be deposited on or before the earlier of the next succeeding May 15 or November 15); and *third* to each Subaccount of the Junior Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Series of Tax-Exempt Junior Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year required to be deposited through the earlier of the next May 15 or November 15 (including all principal required to be deposited on or before the earlier of the next succeeding May 15 or November 15); and then

Eleventh, after satisfying each of the preceding requirements for Senior Lien Bonds, Second Lien Bonds, and Junior Lien Bonds, all additional Astros Payments shall be reapplied for both Taxable Bonds and Tax-Exempt Bonds (but only to the extent of the

Allowed Special Revenue Amount for Tax-Exempt Bonds) (i) *first* to each Subaccount of the Senior Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Series of Senior Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year (including all of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year and all the principal due on or before the next succeeding November 15); *second* to each Subaccount of the Second Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Series of Second Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year (including all of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year and all the principal due on or before the next succeeding November 15); and *third* to each Subaccount of the Junior Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Series of Junior Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year (including all of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year and all the principal due on or before the next succeeding November 15); and then

Twelfth, at the written direction of the Issuer.

- (f) If Astros Payments are deposited to the credit of any of the Senior Lien Principal Subaccounts, Senior Lien Interest Subaccounts, Second Lien Principal Subaccounts, Second Lien Interest Subaccounts, Junior Lien Interest Subaccounts, or Junior Lien Principal Subaccounts for a corresponding Series of the Taxable Senior Lien Bonds, Taxable Second Lien Bonds, or Taxable Junior Lien Bonds, and corresponding amounts of Revenues and amounts from the Revenue Recycling Account in such amounts have previously been deposited to the Senior Lien Principal Subaccounts, Senior Lien Interest Subaccounts, Second Lien Debt Service Revenue Holding Account, or Junior Lien Debt Service Revenue Holding Account for such Series of Bonds, and if such Accounts or Subaccounts are otherwise fully funded as of the date of the deposit of Astros Payments under subsection (e), then the Trustee shall release such previously deposited amounts from such Accounts or Subaccounts for deposit to the Pledged Revenue Account immediately upon deposit of the Astros Payments.
- (g) Solely for administering *Section 5.2(e)*, any interest which is payable from Astros Payments on Capital Appreciation Bonds or, prior to the Interest Commencement Date, any interest accruing on Deferred Interest Bonds, is deemed "due" in the Bond Year in which payment is scheduled to be made thereon and, for such purposes, such amounts are deemed "principal" under *Section 5.2(e)*.

* * *

Section 5.4. Application of Pledged Revenue Account and Special Revenue Account.

- (a) Amounts in the Pledged Revenue Account shall be transferred one time per month on or before the tenth day of the month to the other Accounts and Subaccounts hereunder (and must be so transferred if received not less than five Business Days prior to the monthly transfer date established by the Trustee) so long as any Bonds remain Outstanding hereunder, in the following amounts in the following order of priority:
 - (1) to each Senior Lien Interest Subaccount,
 - (A) subject to *paragraph (B)* below, to the Senior Lien Interest Subaccount, (i) for any Senior Lien Bonds which are Fixed Interest Rate Bonds, beginning with the first month of each Bond Year, an amount equal to the Senior Monthly Interest Payment (Fixed), and (ii) for any Senior Lien Bonds which are not Fixed Interest Rate Bonds, beginning in the first month of each

Bond Year, an amount equal to the Senior Monthly Interest Payment (Non-Fixed);

(B) subject

(i) to any credit with respect to any amounts on deposit in the Senior Lien Capitalized Interest Subaccount to be used for Capitalized Interest and any earnings thereon to the extent required to be used and available for payment of interest on specific Senior Lien Bonds as provided in any applicable Supplemental Indenture,

(ii) as of each Interest Payment Date for Senior Lien Bonds which are described in *paragraph (a)(1)(A)(ii)* of this *Section 5.4*, if the actual interest payable with respect to such Senior Lien Bonds in any Interest Payment Period is less than the amount deposited into the Senior Lien Interest Subaccount, then to the extent of any excess amount so deposited, which excess amount shall be applied as a credit to reduce the amount otherwise required to be deposited in the next succeeding month or months pursuant to *paragraph (a)(1)(A)(ii)* of this *Section 5.4*,

(iii) to any credit for any amount required or authorized under a Supplemental Indenture to be deposited to pay interest on a specific Series of Senior Lien Bonds and deposited to the Senior Lien Interest Subaccount for such Series, and

(iv) in each case to the Cumulative Payment Credit then on deposit in the Senior Lien Interest Subaccount, which shall be credited against the amount of the next due Senior Monthly Interest Payment (Fixed) or Senior Monthly Interest Payment (Non-Fixed) for the Subaccount to which the Cumulative Payment Credit applies by its amount; and then

(2) to each Senior Lien Principal Subaccount,

(A) subject to paragraph (B) below, beginning in the first month of each Bond Year, an amount equal to the Senior Monthly Principal Payment and, following the transfer of amounts for interest and principal under this Section but prior to any further transfers required hereunder, Revenues shall be transferred at the written direction of the Issuer to each Rebate Account in the amount required to comply with *Section 7.1* for Senior Lien Bonds, and such amount shall be applied as provided in *Section 5.15*;

(B) subject to (i) any credit for any amount required or authorized under a Supplemental Indenture to be deposited to pay principal on a specific Series of Senior Lien Bonds and deposited to the Senior Lien Principal Subaccount for such Series, and (ii) to the Cumulative Payment Credit then on deposit in the Senior Lien Principal Subaccount, which shall be credited against the amount of the next due Senior Monthly Principal Payment for the Subaccount to which the Cumulative Payment Credit applies; and then

(3) to each Senior Lien Credit Subaccount in the Senior Lien Debt Service Account, (i) an amount equal to the Credit Provider Reimbursement with respect to any Senior Lien Bonds, provided that the amount transferred pursuant to this Subsection shall in no event be greater than the sum of (A) amounts received by the Trustee under the related Credit Facility for payment of amounts to or for the benefit of Owners of Senior Lien Bonds secured by such Credit Facility and (B)

interest thereon at the lesser of (I) the rate specified in the Credit Agreement or (II) the applicable rate of interest on the Senior Lien Bond or Bonds paid out of the proceeds of such Credit Facility, and (ii) such additional amount as may be required to have available any portion of such Credit Provider Reimbursement which may have been included as part of the Annual Budgeted Expense Amount payable from such Subaccount when required;

provided, that the amounts of the transfers described in the immediately preceding *paragraphs (1), (2) and (3)* of this *Section 5.4(a)* shall be reduced to the extent of moneys previously transferred or required to be transferred to said Accounts under other provisions hereof or of a Supplemental Indenture; and then

- (4) to each Senior Lien Redemption Subaccount, the amount of Revenues required to redeem Senior Lien Bonds subject to redemption, other than as a Mandatory Sinking Fund Requirement; and then
- (5) to each Senior Lien Expense Subaccount, the amount then due and owing to the Trustee, any Paying Agent, Bond Registrar or other Fiduciary or the Computation Agent as Bond Service Charges for Senior Lien Bonds which have not otherwise been provided for, and such additional amount as specified by the Issuer in writing as may be required to have available any portion of the Bond Service Charges which may have been included as part of the Annual Budgeted Expense Amount payable from such Subaccount when required; and then
- (6) to the Senior Lien Debt Service Reserve Account and ratably to each Subaccount therein (if any), the amount of any transfer required by *Section 5.7(a)(1)* or *Section 5.7(a)(2)* hereof to restore any deficiency in the Senior Lien Debt Service Reserve Account and any Series Subaccount therein (or to pay any Credit Provider Reimbursement relating to a Senior Lien Debt Service Reserve Account Credit Facility), and such additional amount as specified by the Issuer in writing as may be required to have available any portion of such Credit Provider Reimbursement which may have been included as part of the Annual Budgeted Expense Amount payable from such Subaccount when required; and then
- (7) to each Senior Lien Expense Subaccount, any amounts as specified by the Issuer in writing which are Bond Related Costs for Senior Lien Bonds then due and owing relating to the administration (including remarketing) of the Senior Lien Bonds of the related Series, any unfunded Bond Related Costs then due and owing to the Credit Provider, and such additional amount as specified by the Issuer in writing as may be required to have available for administrative Bond Related Costs which may have been included as a part of the Annual Budgeted Expense Amount payable from such Subaccount when required; and then
- (8) except as may be provided in one or more Supplemental Indentures to the contrary, to each Senior Lien Credit Subaccount (and ratably to each Subaccount therein, if any) in the Senior Lien Debt Service Account, the Credit Provider Reimbursement then owing to the Credit Provider(s) under the applicable Credit Agreement(s) and not otherwise paid or provided for pursuant to *Subparagraph (a)(3)* of this Section and such additional amount as may be required to have available any portion of such Credit Provider Reimbursement which may have been included as part of the Annual Budgeted Expense Amount payable from such Subaccount when required; and then
- (9) to the Second Lien Debt Service Revenue Holding Account,

(A) subject to *paragraph (B)* below of this *Section 5.4(a)(9)*, (i) for any Second Lien Bonds which are Fixed Interest Rate Bonds, beginning in the first month of each Bond Year (but excluding any Series of such Bonds with respect to which a Capitalized Interest Period is in effect), an amount equal to the Second Lien Monthly Interest Payment (Fixed) and (ii) for any Second Lien Bonds which are not Fixed Interest Rate Bonds (but excluding any Series of such Bonds with respect to which a Capitalized Interest Period is in effect), beginning in the first month of each Bond Year, an amount equal to the Second Lien Monthly Interest Payment (Non-Fixed);

(B) subject

(i) to any credit with respect to any amounts on deposit in the Second Lien Capitalized Interest Subaccount to be used for Capitalized Interest and any earnings thereon to the extent required to be used and available for payment of interest on specific Second Lien Bonds as contemplated in any applicable Supplemental Indenture,

(ii) as of each Interest Payment Date for Second Lien Bonds which are described in *paragraph (9)(A)(ii)* above of this *Section 5.4(a)*, the actual interest payable with respect to such Second Lien Bonds in any Interest Payment Period is less than the amount deposited into the Second Lien Interest Subaccount, then to the extent of any excess amount so deposited, which excess amount shall be applied as a credit to reduce the amount otherwise required to be deposited in the next succeeding month or months pursuant to *paragraph (9)(A)(ii)* of this *Section 5.4(a)*,

(iii) to any credit for any amount required or authorized under a Supplemental Indenture to be deposited to pay interest on a specific Series of Second Lien Bonds and deposited to the Second Lien Interest Subaccount for such Series, and

(iv)) in each case to the Cumulative Payment Credit then on deposit in the Second Lien Debt Service Revenue Holding Account, which shall be credited against the amount of the Second Lien Monthly Interest Payment (Fixed) or Second Lien Monthly Interest Payment (Non-Fixed) next to be deposited to the Second Lien Debt Service Revenue Holding Account; and then

(10) to the Second Lien Debt Service Revenue Holding Account,

(A) subject to *paragraph (B)* below of this *Section 5.4(a)(10)*, beginning in the first month of each Bond Year, an amount equal to the Second Lien Monthly Principal Payment for each Series of Second Lien Bonds; and, following the transfer of amounts for interest and principal under this Section but prior to any further transfer required hereunder, Revenues shall be transferred at the written direction of the Issuer to each Rebate Account in the amount required to comply with *Section 7.1* for Second Lien Bonds, and such amount shall be applied as provided in *Section 5.15*;

(B) subject to (i) any credit for any amount required or authorized under a Supplemental Indenture to be deposited to pay principal on a specific Series of Second Lien Bonds and deposited to the Second Lien Principal Subaccount for such Series, and (ii) to the Cumulative Payment Credit then on deposit in the Second Lien Debt Service Revenue Holding Account and not credited against the payment of interest, which shall be credited against the amount of the

Second Lien Monthly Principal Payment next to be deposited to the Second Lien Debt Service Revenue Holding Account; and then

- (11) to each Second Lien Credit Subaccount in the Second Lien Debt Service Account, (i) an amount equal to the Credit Provider Reimbursement with respect to any Second Lien Bonds, provided that the amount transferred pursuant to this Subsection shall in no event be greater than the sum of (A) amounts received by the Trustee under the related Credit Facility for payment of amounts to or for the benefit of Owners of Second Lien Bonds secured by such Credit Facility and (B) interest thereon at the lesser of (I) the rate specified in the Credit Agreement or (II) the applicable rate of interest on the Second Lien Bond or Bonds paid out of the proceeds of such Credit Facility, and (ii) such additional amount as may be required to have available any portion of such Credit Provider Reimbursement which may have been included as part of the Annual Budgeted Expense Amount payable from such Subaccount when required;

provided, that the amounts of the transfers described in the immediately preceding paragraphs (9), (10) and (11) of this *Section 5.4(a)* shall be reduced to the extent of moneys previously transferred or required to be transferred to said Accounts under other provisions hereof or of a Supplemental Indenture; and then

- (12) to each Second Lien Redemption Subaccount, the amount of Revenues required to redeem Second Lien Bonds subject to redemption, other than as a Mandatory Sinking Fund Requirement; and then
- (13) to each Second Lien Expense Subaccount, the amount then due and owing to the Trustee, any Paying Agent, Bond Registrar or other Fiduciary or the Computation Agent as Bond Service Charges for Second Lien Bonds which have not otherwise been provided for, and such additional amount specified by the Issuer in writing as may be required to have available any portion of the Bond Service Charges which may have been included as part of the Annual Budgeted Expense Amount payable from such Subaccount when required; and then
- (14) to the Second Lien Debt Service Reserve Account and ratably to each Subaccount therein (if any), the amount of any transfer required by *Section 5.10(a)(1)* or *Section 5.10(a)(2)* hereof to restore any deficiency in the Second Lien Debt Service Reserve Account and any Series Subaccount therein (or to pay any Credit Provider Reimbursement relating to a Second Lien Debt Service Reserve Account Credit Facility), and such additional amount specified by the Issuer in writing as may be required to have available any portion of such Credit Provider Reimbursement which may have been included as part of the Annual Budgeted Expense Amount payable from such Subaccount when required; and then
- (15) to each Second Lien Expense Subaccount, any amounts specified by the Issuer in writing which are Bond Related Costs for Second Lien Bonds then due and owing relating to the administration (including remarketing) of the Second Lien Bonds of the related Series, any unfunded Bond Related Costs then due and owing to the Credit Provider, and such additional amount specified by the Issuer in writing as may be required to have available for administrative Bond Related Costs which may have been included as a part of the Annual Budgeted Expense Amount payable from such Subaccount when required; and then
- (16) except as may be provided in one or more Supplemental Indentures to the contrary, to each Second Lien Credit Subaccount (and ratably to each

Subaccount therein, if any) in the Second Lien Debt Service Account, the Credit Provider Reimbursement then owing to the Credit Provider(s) under the applicable Credit Agreement(s) and not otherwise paid or provided for pursuant to *Subparagraph (a)(11)* of this *Section 5.4* and such additional amount as may be required to have available any portion of such Credit Provider Reimbursement which may have been included as part of the Annual Budgeted Expense Amount payable from such Subaccount when required; and then

(17) to the Junior Lien Debt Service Revenue Holding Account,

(A) subject to *paragraph (B)* below of this *Section 5.4(a)(17)*, (i) for any Junior Lien Bonds which are Fixed Interest Rate Bonds, beginning in the first month of each Bond Year (but excluding any Series of such Bonds with respect to which a Capitalized Interest Period is in effect), an amount equal to the Junior Monthly Interest Payment (Fixed) and (ii) for any Junior Lien Bonds which are not Fixed Interest Rate Bonds (but excluding any Series of such Bonds with respect to which a Capitalized Interest Period is in effect), beginning in the first month of each Bond Year, an amount equal to the Junior Monthly Interest Payment (Non-Fixed);

(B) subject

(i) to any credit with respect to any amounts on deposit in the Junior Lien Capitalized Interest Subaccount to be used for Capitalized Interest and any earnings thereon to the extent required to be used and available for payment of interest on specific Junior Lien Bonds as contemplated in any applicable Supplemental Indenture,

(ii) as of each Interest Payment Date for Junior Lien Bonds which are described in *paragraph (17)(A)(ii)* above, if the actual interest payable with respect to such Junior Lien Bonds in any Interest Payment Period is less than the amount deposited into the Junior Lien Interest Subaccount, then to the extent of any excess amount so deposited, which excess amount shall be applied as a credit to reduce the amount otherwise required to be deposited in the next succeeding month or months pursuant to *paragraph (17)(A)(ii)* of this *Section 5.4(a)*,

(iii) in each case to any credit for any amount required or authorized under a Supplemental Indenture to be deposited to pay interest on a specific Series of Junior Lien Bonds and deposited to the Junior Lien Interest Subaccount for such Series, and

(iv) in each case to the Cumulative Payment Credit then on deposit in the Junior Lien Debt Service Revenue Holding Account, which shall be credited against the amount of the Junior Monthly Interest Payment (Fixed) or Junior Monthly Interest Payment (Non-Fixed) next to be deposited to the Junior Lien Debt Service Revenue Holding Account; and then

(18) to the Junior Lien Debt Service Revenue Holding Account,

(A) subject to *paragraph (B)* below of this *Section 5.4(a)(18)*, beginning in the first month of each Bond Year, an amount equal to the Junior Monthly Principal Payment for each Series of Junior Lien Bonds; and, following the transfer of amounts for interest and principal under this Section but prior to any further transfer required hereunder, Revenues shall be transferred at the written

direction of the Issuer to each Rebate Account in the amount required to comply with *Section 7.1* for Junior Lien Bonds, and such amount shall be applied as provided in *Section 5.15*;

(B) subject to (i) any credit for any amount required or authorized under a Supplemental Indenture to be deposited to pay principal on a specific Series of Junior Lien Bonds and deposited to the Junior Lien Principal Subaccount for such Series, and (ii) to the Cumulative Payment Credit then on deposit in the Junior Lien Debt Service Revenue Holding Account and not credited against the payment of interest, which shall be credited against the amount of the Junior Monthly Principal Payment next to be deposited to the Junior Lien Debt Service Revenue Holding Account; and then

- (19) to each Junior Lien Credit Subaccount, (i) an amount equal to the Credit Provider Reimbursement with respect to Junior Lien Bonds, provided that the amount transferred pursuant to this Subsection shall in no event be greater than the sum of (A) amounts received by the Trustee under the related Credit Facility for payment of amounts to or for the benefit of Owners of Junior Lien Bonds secured by such Credit Facility and (B) interest thereon at the lesser of (I) the rate specified in the Credit Agreement or (II) the applicable rate of interest on the Junior Lien Bond or Bonds paid out of the proceeds of such Credit Facility, and (ii) such additional amount as may be required to have available any portion of such Credit Provider Reimbursement which may have been included as part of the Annual Budgeted Expense Amount payable from such Subaccount when required;

provided, that the amounts of the transfers described in (17), (18) and (19) of this *Section 5.4(a)* shall be reduced to the extent of moneys previously transferred or required to be transferred to said Accounts under other provisions hereof or of a Supplemental Indenture; and then

- (20) to each Junior Lien Redemption Subaccount, the amount of Revenues required to redeem Junior Lien Bonds subject to redemption, other than as a Mandatory Sinking Fund Requirement; and then
- (21) to each Junior Lien Expense Subaccount, the amount then due and owing to the Trustee, any Paying Agent, Bond Registrar or other Fiduciary or the Computation Agent as Bond Service Charges for Junior Lien Bonds which have not otherwise been provided for above, and such additional amount specified by the Issuer in writing as may be required to have available any portion of the Bond Service Charges which may have been included as part of the Annual Budgeted Expense Amount payable from such Subaccount when required; and then
- (22) to the Junior Lien Debt Service Reserve Account and ratably to each Subaccount therein (if any), the amount of any transfer required by *Section 5.13(a)(1)(ii)* or *Section 5.13(a)(2)* to restore any deficiency in the Junior Lien Debt Service Reserve Account and any Series Subaccount therein (or to pay any Credit Provider Reimbursement relating to a Junior Lien Debt Service Reserve Account Credit Facility), and such additional amount specified by the Issuer in writing as may be required to have available any portion of such Credit Provider Reimbursement which may have been included as part of the Annual Budgeted Expense Amount payable from such Subaccount when required; and then
- (23) to each Junior Lien Expense Subaccount, any amounts specified by the Issuer in writing which are Bond Related Costs for Junior Lien Bonds then due and

owing relating to the administration (including remarketing) of the Junior Lien Bonds of the related Series, and such additional amount specified by the Issuer in writing as may be required to have available the Bond Related Costs which may have been included as part of the Annual Budgeted Expense Amount payable from such Subaccount when required; and then

- (24) except as may be provided in one or more Supplemental Indentures to the contrary, to each Junior Lien Credit Subaccount (and ratably to each Subaccount therein, if any), the Credit Provider Reimbursement then owing to the Credit Provider(s) under the applicable Credit Agreement(s) and not otherwise paid or provided for pursuant to *Subparagraph (a)(19)* of this *Section 5.4*, any unfunded Bond Related Costs then due and owing the Credit Provider, and such additional amount as may be required to have available any such Credit Provider Reimbursement which may have been included as part of the Annual Budgeted Expense Amount payable from such Subaccount when required; and then
- (25) to the Rebate Account, at the written direction of the Issuer to the extent of any deficiency therein; and then
- (26) after satisfying each of the preceding requirements for Senior Lien Bonds, Second Lien Bonds, and Junior Lien Bonds, all remaining Revenues shall be reapplied *first* to each Subaccount of the Senior Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Series of Senior Lien Bonds the Adjusted Debt Service Requirement through the earlier of the next May 15 or November 15 for the current Bond Year (including all of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year and all the principal required to be deposited into such Subaccounts on or before the earlier of the next May 15 or November 15); *second* to the Second Lien Debt Service Revenue Holding Account for the credit of each Subaccount of the Second Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Series of Second Lien Bonds the Adjusted Debt Service Requirement through the earlier of the next May 15 or November 15 for the current Bond Year (including all of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year and all the principal required to be deposited into such Subaccounts on or before the earlier of the next May 15 or November 15); and *third* to the Junior Lien Debt Service Revenue Holding Account for the credit of each Subaccount of the Junior Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Series of Junior Lien Bonds the Adjusted Debt Service Requirement through the earlier of the next May 15 or November 15 for the current Bond Year (including all of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year and all the principal required to be deposited into such Subaccounts on or before the earlier of the next May 15 or November 15); and then
- (27) after satisfying each of the preceding requirements for Senior Lien Bonds, Second Lien Bonds, and Junior Lien Bonds, all remaining Revenues shall be reapplied (i) *first* to each Subaccount of the Senior Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Series of Senior Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year (including all of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year and all the principal due on or before the next succeeding November 15); *second* to the Second Lien Debt Service Revenue Holding Account for the credit of each Subaccount of the Second Lien Debt Service Account until there has been deposited to such

Subaccounts for all Outstanding Series of Second Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year (including all of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year and all the principal due on or before the next succeeding November 15); and *third* to the Junior Lien Debt Service Revenue Holding Account for the credit of each Subaccount of the Junior Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Series of Junior Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year (including all of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year and all the principal due on or before the next succeeding November 15); and then

- (28) quarterly in advance commencing on December 1 of each year (with the first quarterly distribution on June 1, 2001), to the General and Administrative Account in an amount equal to one-quarter of the Annual Budgeted General and Administrative Amount in each Bond Year until equal to the Annual Budgeted General and Administrative Amount, or monthly to the extent of any shortfall in such payments; provided that if the Series 2004 Bonds maturing in the year 2032 are then Outstanding Bonds, for the Bond Year ending in 2032, Revenues must be deposited to any Third Lien Bonds Subaccount or other debt service account established with respect to any Third Lien Bond as provided in *Subsection (a)(29)* of this Section to pay principal, interest, and other amounts to be due on such Series 2004 Bonds maturing in 2032, and that only after Revenues are deposited to such Third Lien Bond accounts are Revenues available for deposit to the General and Administrative Account, so that for such Bond Year ending in 2032, *Subsection (a)(29)* will for all purposes precede *Subsection (a)(28)*.
- (29) to any Third Lien Bonds Subaccount or other debt service account established with respect to any Third Lien Bonds, but only in amounts and at the times required to pay principal, interest and other amounts thereon as and when due, all as more further provided in any instrument authorizing the series of Third Lien Bonds as permitted; and then
- (29.1) prior to June 15, 2024, to the Revenue Recycling Account, 100% of the remaining Revenues after the above deposits; and then
- (30) of the remaining Revenues after the above deposits (the "Excess Revenues"), 75% to the National Insured Bonds Debt Service Reserve Account until the balance of such Account is equal to \$10,000,000 and thereafter to make up any deficiency in such Account if the balance falls below \$10,000,000 while the balance of such Account is less than \$10,000,000; and then
- (31) Unless (a) the Series 2001H Bonds and the Series 2004A Bonds have been repaid, or, at the election of the Issuer, redeemed, purchased and retired, economically defeased with the approval of National, or defeased, (b) all Credit Provider Reimbursements with respect thereto have been paid, and (c) the 2001C-2 Note has been paid or provided for, to the Debt Repayment Account, at any time when the balance of the National Insured Bonds Debt Service Reserve Account is \$10,000,000 or more, 50% of Excess Revenues; and then
- (32) while the Series 2001C-1 Note remains Outstanding, to the County Repayment Account, 100% of Excess Revenues not deposited to the National Insured Bonds Debt Service Reserve Account or the Debt Repayment Account as provided above; and then

- (33) Unless (a) the Series 2001H Bonds and the Series 2004A Bonds have been repaid, or, at the election of the Issuer, redeemed, purchased and retired, economically defeased with the approval of National, or defeased, (b) all Credit Provider Reimbursements with respect thereto have been paid, and (c) the 2001C-2 Note has been repaid, to the Debt Repayment Account, 100% of any remaining Excess Revenues; and then
- (34) except as may be provided in one or more Supplemental Indentures to the contrary, any remaining Revenues to the Surplus Account for application pursuant to *Section 5.20*.

provided, that the amounts of any transfer required by this Section in order to achieve a specified balance shall be reduced to the extent of money previously transferred or required to be transferred (and which are in the custody of the Trustee and available to the Trustee to be so transferred) to any Account or Subaccount described herein under other provisions hereof or of a Supplemental Indenture; and then

- (b) Solely for the purpose of administering this Section, any interest which is payable on Capital Appreciation Bonds or, prior to the Interest Commencement Date, any interest accruing on Deferred Interest Bonds, shall be deemed to be "due" in the Bond Year in which payment is scheduled to be made thereon and, for such purposes, such amounts shall be deemed to be "principal" under *subsection (a)(2), (a)(10), or (a)(18)* of this *Section 5.4* above rather than "interest" under *subsection (a)(1), (a)(9) or (a)(17)* above of this *Section 5.4*.
- (c) Notwithstanding anything in this Section, and subject to the application of Astros Payments under *Section 5.2(e)*, with respect to any Series of Taxable Bonds to which Special Revenues other than Astros Payments are pledged, prior to the application of any amounts from the Pledged Revenue Account, the Second Lien Debt Service Revenue Holding Account, or the Junior Lien Debt Service Revenue Holding Account with respect to such Bonds, the Trustee shall first apply all amounts from the Special Revenue Account and the application of such amounts shall be credited against amounts required to be applied from the Pledged Revenue Account, the Second Lien Debt Service Revenue Holding Account, or the Junior Lien Debt Service Revenue Holding Account. With respect to one or more Series of Taxable Bonds to which Special Revenues other than Astros Payments are pledged, the Trustee shall, subject to the provisions of Supplemental Indentures, apply such Special Revenues when received first to the applicable Subaccounts of the Senior Lien Debt Service Account and the Senior Lien Debt Service Reserve Account, second to the applicable Subaccounts of the Second Lien Debt Service Account and the Second Lien Debt Service Reserve Account, and third to the applicable Subaccounts of the Junior Lien Debt Service Account and Junior Lien Debt Service Reserve Account, in each case pro rata based on the ratio of the Adjusted Debt Service Requirements for the current Bond Year for each Series of such similarly secured Taxable Senior Lien Bonds, Taxable Second Lien Bonds, or Taxable Junior Lien Bonds, as applicable, to the aggregate Adjusted Debt Service Requirements for the current Bond Year for all such Taxable Senior Lien Bonds, Taxable Second Lien Bonds, or Taxable Junior Lien Bonds, as applicable.
- (d) For any Series of Tax-Exempt Bonds, and subject to the application of Astros Payments under *Section 5.2(e)*, the Trustee shall apply Special Revenues in an amount not exceeding the Allowed Special Revenues Amount from the Special Revenue Account prior to the application of any amounts from the Pledged Revenue Account, and in the event of any deficiency in the Pledged Revenue Account shall apply the Special Revenues in an amount not exceeding the Allowed Special Revenue Amount to the extent required to cure such deficiency. With respect to one or more Series of Tax-Exempt Bonds to which particular Special Revenues other than Astros Payments are

pledged, the Trustee shall deposit such Special Revenues when received in an amount not exceeding the Allowed Special Revenue Amount first to the applicable Subaccounts of the Senior Lien Debt Service Account and the Senior Lien Debt Service Reserve Account, second to the applicable Subaccounts of the Second Lien Debt Service Account and the Second Lien Debt Service Reserve Account, and third to the applicable Subaccounts of the Junior Lien Debt Service Account and Junior Lien Debt Service Reserve Account, in each case pro rata based on the ratio of the Allowed Special Revenue Amount for the current Bond Year for each Series of such Tax Exempt Senior Lien Bonds, Tax Exempt Second Lien Bonds, or Tax Exempt Junior Lien Bonds, as applicable, to the aggregate Allowed Special Revenue Amount for the current Bond Year for all such similarly secured Tax Exempt Senior Lien Bonds, Tax Exempt Second Lien Bonds, or Tax Exempt Junior Lien Bonds, as applicable.

- (c) Notwithstanding anything in this Section, and subject to *Article Seven*, the Issuer shall be credited against any amounts required to be applied from the Pledged Revenue Account or Special Revenue Account to any Account or Subaccount hereunder for amounts that the Issuer has deposited to such Account or Subaccount from any other source.
- (f) For purposes of administration of this Section, if in any month there is a shortfall in the amount required to be deposited to two or more Subaccounts which would otherwise have a parity claim to such deposit, the Trustee shall apply the available amounts for deposit to such Subaccounts on a proportionate basis.

Section 5.5. Senior Lien Debt Service Accounts and Subaccounts Therein.

- (a) There shall be deposited into the Senior Lien Debt Service Account all amounts required to be remitted, transferred or otherwise deposited therein as provided in *Sections 5.2(e), 5.4(a), 5.4(c), and 5.4(d)*, together with such additional amounts to be deposited into various specified Subaccounts within the Senior Lien Debt Service Account, pursuant to this Section.

- (b) Senior Lien Interest Subaccount.

- (1) There shall be deposited in each Senior Lien Interest Subaccount, upon issuance of each Series of Senior Lien Bonds, the amount of accrued interest received from the Original Purchaser thereof and there shall be deposited monthly any amounts required by *Sections 5.2(e), 5.4(a)(1), 5.4(c)* (but only for Taxable Bonds) or *5.4(d)*. If on any Interest Payment Date there are not sufficient amounts on deposit in the Senior Lien Interest Subaccount to pay the total amount of interest coming due with respect to the Senior Lien Bonds on such Interest Payment Date, the Trustee shall forthwith transfer to the Senior Lien Interest Subaccount from other Accounts or Subaccounts, in the order listed in *Section 5.6*, an amount equal to the deficiency. Interest income derived from the investment of amounts on deposit in the Senior Lien Interest Subaccount of the Senior Lien Debt Service Account shall remain in the applicable Senior Lien Interest Subaccount and shall be credited against the amount next due to be transferred to such Senior Lien Interest Subaccount from the Pledged Revenue Account pursuant to *Section 5.4(a)(1)* and the Astros Payments Subaccount pursuant to *Section 5.2(e)*, and from the Special Revenue Account pursuant to *Sections 5.4(c)* (but only for Taxable Bonds) or *Section 5.4(d)*. Notwithstanding the foregoing, any Rebate Amount on deposit in the Senior Lien Interest Subaccount shall be transferred to the Rebate Account at the written direction of the Issuer.

- (2) On each Interest Payment Date for Senior Lien Bonds the Trustee shall withdraw from the Senior Lien Interest Subaccount an amount sufficient to pay

the interest coming due on the Senior Lien Bonds, and shall use such amounts to pay, or make provision with the Paying Agent for the payment of interest on the Senior Lien Bonds on such Interest Payment Date; provided however, that if and to the extent payment of interest on the Senior Lien Bonds, or any Series thereof or specific portion thereof, shall be made from moneys drawn under a Credit Facility (other than a Debt Service Reserve Account Credit Facility), the Trustee shall transfer from the Senior Lien Interest Subaccount to the Subaccount in the Senior Lien Credit Subaccount relating to such a Series of Senior Lien Bonds or specific portion thereof and remit to the Credit Provider from said Subaccount in such Senior Lien Credit Subaccount, on the Interest Payment Date, the lesser of the Credit Provider Reimbursement arising with respect to such drawing or the amount of money credited to each such Subaccount, and thereafter, to the extent that all such payments are made, the Trustee shall apply amounts in the Senior Lien Interest Subaccounts as provided first in *Section 5.6(a)(6)*, which application shall be credited pro rata among all of the Outstanding Senior Lien Bonds regardless of the Subaccount from which such amounts are applied, second in *Section 5.9(a)(9)*, which application shall be applied pro rata among all of the Outstanding Second Lien Bonds, and then in *Section 5.12(a)(11)*, which application shall be applied pro rata among all of the Outstanding Junior Lien Bonds.

- (3) On each Redemption Date for Senior Lien Bonds other than an Interest Payment Date, the Trustee shall withdraw from the applicable Senior Lien Interest Subaccount an amount sufficient to pay the interest coming due on the Senior Lien Bonds on such Redemption Date and shall use such amounts to pay, or make provision with the Paying Agent for the payment of interest on such Senior Lien Bonds on such Redemption Date; provided however, that if and to the extent payment of interest on such Senior Lien Bonds shall be made from moneys drawn under a Credit Facility (other than a Debt Service Reserve Account Credit Facility), the Trustee shall transfer to the Subaccount in the Senior Lien Credit Subaccount relating to such a Series of Senior Lien Bonds or specific portion thereof and remit to the Credit Provider from said Subaccount in such Senior Lien Credit Subaccount, on the Redemption Date, the lesser of the Credit Provider Reimbursement or the amount of money credited to such Subaccount.

- (4) On each deposit of Astros Payments under *Section 5.2(e)*, the Trustee shall transfer Revenues from the applicable Senior Lien Interest Subaccount to the Pledged Revenue Account as provided in *Section 5.2(f)*.

(c) Senior Lien Principal Subaccount.

- (1) There shall be transferred to each Senior Lien Principal Subaccount, monthly, any amount required to be transferred from the Pledged Revenue Account pursuant to *Section 5.4(a)(2)*, from the Astros Payments Subaccount pursuant to *Section 5.2(e)*, and from the Special Revenue Account as required by *Sections 5.4(c)* (but only for Taxable Bonds) and *Section 5.4(d)*. If on any Principal Payment Date there are not sufficient amounts on deposit in the Senior Lien Principal Subaccount to pay the total amount of principal coming due on the Senior Lien Bonds on such Principal Payment Date, the Trustee shall forthwith transfer to the Senior Lien Principal Subaccount from other Accounts, in the order listed in *Section 5.6*, an amount equal to the deficiency. All interest income derived from the investment of amounts on deposit in the Senior Lien Principal Subaccount shall remain in the Senior Lien Principal Subaccount in which the amount is earned and be credited against the amount next due to be transferred to the Senior Lien Principal Subaccount from the Pledged Revenue

Account pursuant to *Section 5.4(a)(2)*, from Astros Payments Subaccount pursuant to *Section 5.2(e)*, and from the Special Revenue Account as required by *Section 5.4(c)* (but only for Taxable Bonds) and *Section 5.4(d)*. Notwithstanding the foregoing, any Rebate Amount on deposit in the Senior Lien Principal Subaccount shall be transferred to the Rebate Account at the written direction of the Issuer.

- (2) Amounts on deposit from time to time in the Senior Lien Principal Subaccount shall be used on any Interest Payment Date to provide sums equal to any deficiency in the Senior Lien Interest Subaccount as provided in *Section 5.6(a)(5)*.
- (3) On or before each Principal Payment Date for Senior Lien Bonds, the Trustee shall withdraw from the Senior Lien Principal Subaccount an amount sufficient to pay the scheduled principal coming due on the Senior Lien Bonds on such Principal Payment Date, and shall use such amounts to pay, or make provision with the Paying Agents for the payment of, principal of the Bonds on such Principal Payment Date, whether by reason of stated maturity or by reason of Mandatory Sinking Fund Requirements applicable to any Term Bonds which are Senior Lien Bonds; provided, however, that if and to the extent payment of principal coming due on the Senior Lien Bonds, or any Series thereof or specific portion thereof, shall be made from monies drawn under a Credit Facility (other than a Debt Service Reserve Account Facility), the Trustee shall transfer from the Senior Lien Principal Subaccount to the Subaccount within the Senior Lien Credit Subaccount related to such Series of Senior Lien Bonds or specific portion thereof and remit to the Credit Provider from said Subaccount within the Senior Lien Credit Subaccount, on the Principal Payment Date on which payment is made, the lesser of the Credit Reimbursement Amount arising with respect to such drawing or the amount of money debited to such Subaccount, and thereafter, to the extent that all such payments are made, the Trustee shall apply amounts in the Senior Lien Principal Subaccounts as provided first in *Section 5.6(a)(5)*, which application shall be credited pro rata among all of the Outstanding Senior Lien Bonds regardless of Subaccount from which such amounts are applied, second in *Section 5.9(a)(8)*, which application shall be credited pro rata among all of the Outstanding Second Lien Bonds and then in *Section 5.12(a)(10)*, which application shall be credited pro rata among all of the Outstanding Junior Lien Bonds.
- (4) On or before each Redemption Date for Senior Lien Bonds for the payment of principal of which amounts have been deposited to the Senior Lien Principal Subaccount, the Trustee shall withdraw from the Senior Lien Principal Subaccount such amounts deposited with respect to the Senior Lien Bonds called for redemption on such Redemption Date, and shall use such amounts, together with amounts available in the Senior Lien Redemption Subaccount, to pay, or make provision with the Paying Agents for the payment of, principal of the Bonds on such Redemption Date; provided, however, that if and to the extent payment of principal coming due on such Senior Lien Bonds or part thereof shall be made from monies drawn under a Credit Facility (other than a Debt Service Reserve Account Facility), the Trustee shall transfer to the subaccount within the Senior Lien Credit Subaccount related to such Senior Lien Bonds or part thereof and remit to the Credit Provider from said Subaccount within the Senior Lien Credit Subaccount, on the Redemption Date on which payment is made, the lesser of the Credit Provider Reimbursement or the amount of money credited into such Subaccount.

- (5) On each deposit of Astros Payments under *Section 5.2(e)*, the Trustee shall transfer Revenues from the applicable Senior Lien Principal Subaccount to the Pledged Revenue Account as provided in *Section 5.2(f)*.

(d) Senior Lien Redemption Subaccount.

- (1) Except for amounts required to be deposited to the Senior Lien Interest Subaccount or Senior Lien Principal Subaccount, any amounts to be used to prepay Senior Lien Bonds by the Issuer shall be deposited in the Senior Lien Redemption Subaccount and applied to redeem or purchase and cancel Senior Lien Bonds as provided by the applicable Supplemental Indenture or, if no provision is made by the applicable Supplemental Indenture such amounts at the written direction of the Issuer shall be applied to purchase Senior Lien Bonds to be surrendered to the Trustee and canceled as a credit against Debt Service Requirements when due or otherwise, or to pay the principal of and premium, if any, of the Senior Lien Bonds then subject to and called for redemption.
- (2) If the Series of Senior Lien Bonds to be redeemed (or any specific Senior Lien Bonds within such Series) is secured by a Credit Facility, and the related Credit Facility or Credit Agreement provides that payment of principal of such Series of Senior Lien Bonds (or specific Senior Lien Bonds within such Series) will be made from such Credit Facility, the Trustee shall transfer from the Senior Lien Redemption Subaccount to the Subaccount within the Senior Lien Credit Subaccount related to such Series of Senior Lien Bonds and remit to the Credit Provider from such Subaccount within the Senior Lien Credit Subaccount, on the redemption date, the lesser of the Credit Provider Reimbursement arising with respect to such drawing or the amount of money credited to such Subaccount.
- (3) Any funds transferred to the Senior Lien Redemption Subaccount from a Construction Account as excess proceeds shall be applied at the written direction of the Issuer to the Trustee only to redeem or purchase and cancel Senior Lien Bonds of the Series from which such Construction Account proceeds were derived, if any such Senior Lien Bonds are Outstanding. Other funds transferred to the Senior Lien Redemption Subaccount shall be applied to redeem Senior Lien Bonds then subject to redemption as provided in the applicable Supplemental Indenture or, if the Supplemental Indenture does not specifically so provide, as the Issuer shall direct in writing to the Trustee.
- (4) All income derived from the investment of amounts on deposit in the Senior Lien Redemption Subaccount shall be transferred to the Senior Lien Interest Subaccount and applied as a credit against the amounts next due to be transferred to the Senior Lien Interest Subaccount from the Pledged Revenue Account provided in *Section 5.4(a)(1)*, except that income derived from the investment of amounts transferred from the Special Revenue Account or from the Astros Payments Subaccount shall be transferred to the Special Revenue Account or Astros Payments Subaccount, as applicable. Notwithstanding the foregoing, any Rebate Amount on deposit in the Senior Lien Redemption Subaccount shall be transferred to the Rebate Account at the written direction of the Issuer.
- (5) Notwithstanding any other provisions of this Indenture, moneys on deposit in the Senior Lien Redemption Subaccount may be withdrawn therefrom upon written direction of the Issuer delivered to the Trustee only to the extent that such moneys have not theretofore been committed to the purchase or redemption of Senior Lien Bonds for which proper notice has been given.

(e) Senior Lien Expense Subaccount.

- (1) The Trustee shall create a separate Senior Lien Expense Subaccount for each Series of Senior Lien Bonds with such Subaccounts therein as the Issuer shall from time to time provide, and with Subaccounts for each Series of Taxable Bonds, unless the Issuer provides in a Supplemental Indenture or otherwise directs in writing that one such Account shall relate to Senior Lien Bonds of more than one Series.
- (2) The Trustee shall transfer from the Pledged Revenue Account and the Special Revenue Account to the Senior Lien Expense Subaccount the amounts directed by *Sections 5.2(e), 5.4(a)(5) and (7), 5.4(c) (for Taxable Bonds) and 5.4(d)* for the payment of amounts therein specified. The Trustee may rely in good faith upon written directions of the Issuer as to the amount to be transferred to the Senior Lien Expense Subaccount, or disbursed therefrom to any payee. The amount disbursed from the Senior Lien Expense Subaccount to the Trustee (as Trustee, Paying Agent, Bond Registrar, or in any other capacity) shall not exceed the amount agreed to by the Issuer as the compensation due to the Trustee for its services.
- (3) All income derived from the investment of amounts on deposit in the Senior Lien Expense Subaccount shall be retained therein and applied as a credit against the amounts next due to be transferred to the Senior Lien Expense Subaccount from the Pledged Revenue Account and the Special Revenue Account as provided in *Sections 5.2(e), 5.4(a)(5) and (7), 5.4(c), and 5.4(d)*.

(f) Senior Lien Purchase Subaccount.

- (1) The Trustee shall deposit funds in the Senior Lien Purchase Subaccount as follows and as provided in any Supplemental Indenture:
 - (A) the proceeds of remarketing of Senior Lien Bonds, except to the extent such proceeds are required by the terms of a Supplemental Indenture and related Remarketing Agreement to be paid to Bondowners selling such Senior Lien Bonds or to a Credit Provider which has provided the funds required to purchase Senior Lien Bonds;
 - (B) funds provided by a Credit Provider to purchase Senior Lien Bonds;
 - (C) other funds provided to the Trustee by the Issuer or any other person accompanied by a written direction to deposit such funds in the Senior Lien Purchase Subaccount; and
 - (D) any other funds required to be so deposited by a Supplemental Indenture.
- (2) Funds from time to time held in the Senior Lien Purchase Subaccount shall be disbursed therefrom as provided in the related Supplemental Indenture, or as directed in writing by the Issuer.
- (3) Unless otherwise provided in the applicable Supplemental Indenture, all income derived from the investment of amounts on deposit in the Senior Lien Purchase Subaccount shall be transferred upon receipt to the Pledged Revenue Account, except for income derived from the investment of amounts held to

purchase Taxable Bonds, which shall be deposited to the Special Revenue Account.

(g) Senior Lien Credit Subaccount.

(1) To the extent so provided in any applicable Supplemental Indenture the Trustee shall create a separate Senior Lien Credit Subaccount within the Senior Lien Debt Service Account for each Series of Senior Lien Bonds (or specific Senior Lien Bonds within a Series) secured by a Credit Facility which is not a Debt Service Reserve Account Credit Facility. In addition, for any Credit Facility which constitutes a bond insurance policy or similar instrument pursuant to which the Credit Provider is entitled to subrogation rights as to amounts paid to Bond Owners secured thereby, the Supplemental Indenture relating thereto may provide for payment directly to such Credit Provider of available amounts in the Senior Lien Principal, Interest, Redemption and Purchase Subaccounts by reason of such subrogation rather than establishing a Senior Lien Credit Subaccount and requiring a transfer of such amounts thereto prior to payment of such amounts to such a Credit Provider.

(2) Unless otherwise provided in a Supplemental Indenture, all amounts drawn under a Credit Facility for which a Senior Lien Credit Subaccount is established under this Section to pay the principal or redemption price of, purchase price of, premium, if any, and interest on any Series of Senior Lien Bonds or a specific portion thereof, shall be deposited in the related Senior Lien Principal Subaccount, Senior Lien Interest Subaccount, Senior Lien Redemption Subaccount, Senior Lien Purchase Subaccount or other Account or Subaccount created under the related Supplemental Indenture and the Trustee shall apply such amounts to the purpose for which they were drawn, as further provided in the related Supplemental Indenture. Promptly upon such deposit and application, the Trustee shall transfer from the appropriate Account or Subaccount to the applicable Senior Lien Credit Subaccount all Revenues or Special Revenues or other amounts replaced by Credit Facility proceeds in an amount not exceeding the Credit Provider Reimbursement. The Trustee shall then remit such amounts from the applicable Senior Lien Credit Subaccount to the applicable Credit Provider.

(3) The proceeds of any Credit Facility (other than a Debt Service Reserve Account Credit Facility) issued in connection with and for the benefit of any Series of Senior Lien Bonds (or specific Senior Lien Bonds within a Series) shall be deposited as provided in this subsection and the Supplemental Indenture for the related Series of Senior Lien Bonds (or specific Senior Lien Bonds within a Series) and shall be transferred and/or applied solely for the benefit of the Bondowners of the Series of Bonds (or specific Bonds within a Series) to which the Credit Facility relates; and accordingly, the Owners of the Bonds of any other Series shall not be entitled to the benefit of, or receive, the proceeds of a Credit Facility which does not secure the Bonds held by such Owners.

(h) Senior Lien Capitalized Interest Subaccount. Except as provided in a Supplemental Indenture with respect to a Series of Senior Lien Bonds, to the extent available therein, on each date Revenues or Special Revenues are transferred pursuant to *Sections 5.2(e), 5.4(a)(1), Section 5.4(c), or 5.4(d)* for the purpose of paying interest on any Series of Senior Lien Bonds, the Trustee shall transfer from the Senior Lien Capitalized Interest Subaccount for such Series of Bonds to any related Senior Lien Interest Subaccount, the amount of such interest required to be transferred pursuant to such *Sections 5.2(e), 5.4(a)(1), 5.4(c), or 5.4(d)*. Each transfer shall be made on or immediately prior to the day on which the Trustee transfers or otherwise remits Revenues as provided in

Section 5.4(a), 5.4(c), or 5.4(d) and shall be credited against the amounts then required to be transferred or remitted from the Pledged Revenue Account or the Special Revenue Account. Investment income on amounts held in the Senior Lien Capitalized Interest Account (net of investment losses and amounts required to be transferred to the Rebate Account at the written direction of the Issuer) shall be credited to the Senior Lien Capitalized Interest Account.

(i) Pro Rata Payments.

In the event the amount then on deposit in the Senior Lien Debt Service Account on a Payment Date is not sufficient to pay to the Owners of the Senior Lien Bonds the full amount of interest on and principal of all Outstanding Senior Lien Bonds due on the Payment Date and such deficiency cannot be cured as provided in *Section 5.6*, the Trustee shall nonetheless pay out all moneys on deposit in the Senior Lien Interest Subaccounts and Senior Lien Principal Subaccounts to the persons entitled thereto, pro rata according to the amount owed to each (subject in all events to any provisions to the contrary as to Credit Facilities or other amounts which a Supplemental Indenture may pledge or otherwise provide for under procedures by which specific Revenues or Special Revenues thereunder are for the specific benefit of a Series of Senior Lien Bonds or specific Senior Lien Bonds within a Series, in which case such pro rata allocation shall be made net of the obligations owed on such Senior Lien Bonds to the extent of such specific Revenues or Special Revenues), and provided that Special Revenues shall be applied solely to Taxable Bonds to the extent such Special Revenues (and the obligation with respect to such Taxable Bonds shall be netted in the same manner as for specific Revenues or Special Revenues) are in an amount greater than Allowed Special Revenues Amount.

* * *

Section 5.7. Senior Lien Debt Service Reserve Account.

- (a) An initial deposit to the credit of a Series Subaccount of the Senior Lien Debt Service Reserve Account is to be made by the Trustee from the proceeds of each Series of Senior Lien Bonds in an amount equal to the Reserve Requirement (if any) for that Series established in the Supplemental Indenture or, in lieu thereof, the Issuer may cause a Debt Service Reserve Account Credit Facility to be delivered to the Trustee for such purpose with the prior written consent of the related Credit Provider and AGM, if AGM is not the related Credit Provider but is the Credit Provider for other Outstanding Bonds. Thereafter each Series Subaccount of the Senior Lien Debt Service Reserve Account shall be maintained at the Debt Service Reserve Requirement for the related Series by transfers to the Senior Lien Debt Service Reserve Account from the Pledged Revenue Account as provided in *Section 5.4(a)(6)* or the Special Revenue Account as provided in *Sections 5.2(e), 5.4(c)* (for Taxable Bonds) or *Section 5.4(d)* (for Tax-Exempt Bonds); provided, however, (1) in the event the amount on deposit in a Series Subaccount of the Senior Lien Debt Service Reserve Account is less than the Debt Service Reserve Requirement for the related Series because of a transfer required by *Section 5.6(a)(7)*, then the Issuer shall be required to restore the deficiency caused thereby (i) to the extent there are any amounts on deposit in the Surplus Account, by the transfer to the Trustee for deposit into each Series Subaccount of the Senior Lien Debt Service Reserve Account of the full amount on deposit in the Surplus Account or such lesser amount as will cure such deficiency in the Senior Lien Debt Service Reserve Account and, to the extent the full deficiency cannot be so cured, such amounts shall be applied ratably to each Series Subaccount within the Senior Lien Debt Service Reserve Account which has a deficiency, and (ii) to the extent any deficiency remains following application as provided in (1)(i) hereof, by transfer of Revenues pursuant to *Section 5.4(a)(6)* and Special Revenues pursuant to *Sections 5.2(e), 5.4(c), or 5.4(d)* (but solely to the extent

authorized herein), in 24 substantially equal monthly deposits commencing on the first month such deficiency exists until such deficiency is remedied and all amounts owed under or in connection with a Debt Service Reserve Account Credit Facility, any related Credit Agreement and any Related Agreements have been paid in full, and (2) in the event the amount on deposit in the Series Subaccount of the Senior Lien Debt Service Reserve Account is less than the Debt Service Reserve Requirement for the related Series because of any valuation of the investment securities as determined by application of *Section 8.2(b)* hereof, the Issuer shall be required to restore the deficiency caused thereby by transfers of Revenues pursuant to *Section 5.4(a)(6)* and in Special Revenues required by *Sections 5.2(e), 5.4(c), or 5.4(d)* (but solely to the extent authorized therein) in 24 substantially equal monthly deposits commencing on the first month following a determination that such deficiency exists.

- (b) If on any Interest Payment Date there are not sufficient amounts on deposit in the Senior Lien Interest Subaccount to pay the total amount of interest coming due on any Senior Lien Bonds entitled to the benefit and security of a Subaccount of the Senior Lien Debt Service Reserve Account on such Interest Payment Date or if on any Principal Payment Date there are not sufficient amounts on deposit in the Senior Lien Principal Subaccount to pay the total amount of principal coming due on any Senior Lien Bonds entitled to the benefit and security of a Subaccount of the Senior Lien Debt Service Reserve Account on such Principal Payment Date, and after making the transfers required to be made from other Accounts as provided in *Section 5.6(a)* prior to a transfer from the Senior Lien Debt Service Reserve Account, the Trustee shall transfer sums on deposit in the Senior Lien Debt Service Reserve Account, as provided in *Section 5.6(a)(7)*, to the Senior Lien Interest Subaccount or Senior Lien Principal Subaccount, as the case may be, in an amount sufficient to make up any such deficiency for any Senior Lien Bonds entitled to the benefit and security of the related Subaccount of the Senior Lien Debt Service Reserve Account. At the time of such transfer the Trustee shall notify the Issuer and the related Credit Provider of such transfer. In all such events, the Trustee shall not draw on any Debt Service Reserve Account Credit Facility until all cash and any investment securities in the related Subaccount of the Senior Lien Debt Service Reserve Account have been liquidated and applied as aforesaid unless all Credit Providers which have provided Debt Service Reserve Account Credit Facilities for the Series of Senior Lien Bond or Bonds with respect to which such Subaccount has been established have consented in writing to a different order of liquidation of investments. In the event that the amounts on deposit in the Senior Lien Debt Service Reserve Account are invested in one or more investment securities, the Trustee shall comply with timely written direction (if any) of Credit Providers for Senior Lien Bonds as to any required liquidation, sale or other disposition of any investment in connection with the provisions of this Section.
- (c) Except as provided in *Section 5.7(d)* below, following any transfer required by (b) of this Section the Trustee shall withdraw from the Senior Lien Debt Service Reserve Account and remit the Credit Provider Reimbursement to each Credit Provider (other than a Credit Provider which has provided a Debt Service Reserve Account Credit Facility) pursuant to *Section 5.2(e), Section 5.4(a)(3), Section 5.4(c), Section 5.4(d), and Section 5.5(g)*; and provided further, that if the amount then on deposit in the Senior Lien Debt Service Reserve Account is not sufficient to pay the Credit Provider Reimbursement when due to all Credit Providers, the Trustee shall pay to each Credit Provider entitled to such payments from the amount available (pro rata according to the Credit Provider Reimbursement due to each Credit Provider) a portion of the Credit Provider Reimbursement then due until all funds in the Senior Lien Debt Service Reserve Account are exhausted.

(d) Debt Service Reserve Account Credit Facility.

- (1) To the extent so provided in the applicable Supplemental Indenture, the Trustee shall create a separate Senior Lien Debt Service Reserve Subaccount for each Debt Service Reserve Account Credit Facility.
 - (2) The Trustee shall deposit in the related Senior Lien Debt Service Reserve Subaccount all amounts drawn under or in connection with a Debt Service Reserve Account Credit Facility required to pay the principal or redemption price of and interest on any Series of Senior Lien Bonds or a specific portion thereof and shall apply such amounts to the purpose for which they were drawn as provided in *Section 5.6(a)(7)*, and as may be further provided in the related Supplemental Indenture.
 - (3) If and to the extent that the amount on deposit in the Senior Lien Debt Service Reserve Account is less than the Debt Service Reserve Requirement and Revenues or Special Revenues are transferred to the Senior Lien Debt Service Reserve Subaccount pursuant to *Sections 5.2(e), 5.4(a)(6), 5.4(c), or 5.4(d)*, such Revenues or Special Revenues shall be applied first to satisfy any Credit Provider Reimbursement which relates to a Debt Service Reserve Account Credit Facility, including interest or expenses relating to any repayment obligation of the Issuer which may arise by reason of a drawing on such Debt Service Reserve Account Credit Facility, with payment being made first to any amounts required to reinstate such Debt Service Reserve Account Credit Facility.
- (e) All income derived from the investment of amounts on deposit in the Senior Lien Debt Service Reserve Account and any Subaccount therein shall be retained therein at all times when the amount on deposit in the Senior Lien Debt Service Reserve Account is less than the Debt Service Reserve Requirement for the Senior Lien Bonds, and at all other times shall be transferred to the Pledged Revenue Account (if held with respect to Tax-Exempt Bonds) or the Special Revenue Account (if held with respect to Taxable Bonds) and applied as provided in *Sections 5.2(e), 5.4(c) and 5.4(d)* and otherwise transferred to the Pledged Revenue Account and applied as otherwise required by *Section 5.4(a)*; provided that in all events, all Rebate Amounts allocable to amounts on deposit in the Senior Lien Debt Service Reserve Account shall be transferred at the written direction of the Issuer to the Rebate Account or to any applicable Subaccount thereof established by a Supplemental Indenture.
- (f) No later than 13 months preceding the final Maturity Date of each Series of Senior Lien Bonds, the Issuer may elect in writing and direct the Trustee whether to apply amounts in the Subaccount of the Senior Lien Debt Service Reserve Account relating to such Series (other than Debt Service Reserve Account surety policies) to the payment of the amount due on such final maturity date. The amount so applied shall not exceed the lesser of (1) the Debt Service Reserve Requirement attributable to that Series of Senior Lien Bonds, or (2) the amount actually on deposit in the Senior Lien Debt Service Reserve Account and attributable to that Series of Senior Lien Bonds. If the Issuer elects to so apply amounts in the Senior Lien Debt Service Reserve Account, the amount to be so applied shall be transferred, in one-twelfth (1/12) installments, to the related Senior Lien Interest Subaccount and Senior Lien Principal Subaccount and each amount transferred shall be credited against the monthly amounts transferrable from the Pledged Revenue Account or the Special Revenue Account to the related Senior Lien Interest Subaccount and Senior Lien Principal Subaccount under *Sections 5.2(e) or 5.4* on account of the Series of Senior Lien Bonds for which the election is made.

Section 5.8. Second Lien Debt Service Accounts and Subaccounts Therein.

- (a) There shall be deposited into the Second Lien Debt Service Account all amounts required to be remitted, transferred or otherwise deposited therein as provided in *Sections 5.2(e), 5.4(a), 5.4(c), and 5.4(d)*, together with such additional amounts to be deposited into various specified Subaccounts within the Second Lien Debt Service Account, pursuant to this Section.

(b) Second Lien Interest Subaccount.

- (1) There shall be deposited in each Second Lien Interest Subaccount, upon issuance of each Series of Second Lien Bonds, the amount of accrued interest received from the Original Purchaser thereof, and there shall be deposited monthly any other amounts required by *Sections 5.2(e), 5.4(c)* (but only for Taxable Bonds), *5.4(d)*. If on any Interest Payment Date there are not sufficient amounts on deposit in the Second Lien Interest Subaccount to pay the total amount of interest coming due with respect to the Second Lien Bonds on such Interest Payment Date, the Trustee shall forthwith transfer to the Second Lien Interest Subaccount from other Accounts or Subaccounts, in the order listed in *Section 5.9*, an amount equal to the deficiency. Interest income derived from the investment of amounts on deposit in the Second Lien Interest Subaccount of the Second Lien Debt Service Account shall remain in the applicable Second Lien Interest Subaccount and shall be credited against any amount next due to be transferred to such Second Lien Interest Subaccount from the Second Lien Debt Service Revenue Holding Account pursuant to *Section 5.28* and from the Special Revenue Account pursuant to *Sections 5.2(e), 5.4(c)* (but only for Taxable Bonds), or *Section 5.4(d)*. Notwithstanding the foregoing, any Rebate Amount on deposit in the Second Lien Interest Subaccount shall be transferred to the Rebate Account at the written direction of the Issuer.

- (2) On each Interest Payment Date for Second Lien Bonds the Trustee shall withdraw from the Second Lien Interest Subaccount an amount sufficient to pay the interest coming due on the Second Lien Bonds, or shall withdraw from the Second Lien Interest Subaccount an amount sufficient to pay any, and shall use such amounts to pay, or make provision with the Paying Agent for the payment of, interest on the Second Lien Bonds on such Interest Payment Date; provided however, that if and to the extent payment of interest on the Second Lien Bonds, or any Series thereof or specific portion thereof, shall be made from moneys drawn under a Credit Facility (other than a Debt Service Reserve Account Credit Facility), the Trustee shall transfer from the Second Lien Interest Subaccount to the Subaccount in the Second Lien Credit Subaccount relating to such a Series of Second Lien Bonds or specific portion thereof and remit to the Credit Provider from said Subaccount in such Second Lien Credit Subaccount, on the Interest Payment Date, the lesser of the Credit Provider Reimbursement arising with respect to such drawing or the amount of money credited to each such Subaccount, and thereafter, to the extent that all such payments are made, the Trustee shall apply amounts in the Second Lien Interest Subaccounts as provided first in *Section 5.9(a)(6)*, which application shall be credited pro rata among all of the Outstanding Second Lien Bonds regardless of the Subaccount from which such amounts are applied, and second as provided in *Section 5.12(a)(9)*, which application shall be credited pro rata among all of the Junior Lien Bonds.

- (3) On each Redemption Date for Second Lien Bonds other than an Interest Payment Date, the Trustee shall withdraw from the applicable Second Lien Interest Subaccount an amount sufficient to pay the interest coming due on the

Second Lien Bonds on such Redemption Date and shall use such amounts to pay, or make provision with the Paying Agent for the payment of interest on such Second Lien Bonds on such Redemption Date; provided however, that if and to the extent payment of interest on such Second Lien Bonds shall be made from moneys drawn under a Credit Facility (other than a Debt Service Reserve Account Credit Facility), the Trustee shall transfer to the Subaccount in the Second Lien Credit Subaccount relating to such a Series of Second Lien Bonds or specific portion thereof and remit to the Credit Provider from said Subaccount in such Second Lien Credit Subaccount, on the Redemption Date, the lesser of the Credit Provider Reimbursement or the amount of money credited to such Subaccount.

(c) Second Lien Principal Subaccount.

- (1) There shall be transferred to each Second Lien Principal Subaccount, monthly, any amount then required to be transferred from the Special Revenue Account as required by *Sections 5.2(e), 5.4(c)* (but only for Taxable Bonds) and *Section 5.4(d)*. If on any Principal Payment Date there are not sufficient amounts on deposit in the Second Lien Principal Subaccount to pay the total amount of principal coming due on the Second Lien Bonds on such Principal Payment Date, the Trustee shall forthwith transfer to the Second Lien Principal Subaccount from other Accounts, in the order listed in *Section 5.9*, an amount equal to the deficiency. All interest income derived from the investment of amounts on deposit in the Second Lien Principal Subaccount shall remain in the Second Lien Principal Subaccount in which the amount is earned and be credited against any amount next due to be transferred to the Second Lien Principal Subaccount from the Second Lien Debt Service Revenue Holding Account pursuant to *Section 5.28* and from the Special Revenue Account as required by *Sections 5.2(e), 5.4(c)* (but only for Taxable Bonds) and *Section 5.4(d)*. Notwithstanding the foregoing, any Rebate Amount on deposit in the Second Lien Principal Subaccount shall be transferred to the Rebate Account at the written direction of the Issuer.
- (2) Amounts on deposit from time to time in the Second Lien Principal Subaccount shall be used on any Interest Payment Date to provide sums equal to any deficiency in the Second Lien Interest Subaccount as provided in *Section 5.9(a)(6)*.
- (3) On or before each Principal Payment Date for Second Lien Bonds, the Trustee shall withdraw from the Second Lien Principal Subaccount an amount sufficient to pay the scheduled principal coming due on the Second Lien Bonds on such Principal Payment Date, and shall use such amounts to pay, or make provision with the Paying Agents for the payment of, principal of the Bonds on such Principal Payment Date, whether by reason of stated maturity or by reason of Mandatory Sinking Fund Requirements applicable to any Term Bonds which are Second Lien Bonds; provided, however, that if and to the extent payment of principal coming due on the Second Lien Bonds, or any Series thereof or specific portion thereof, shall be made from monies drawn under a Credit Facility (other than a Debt Service Reserve Account Facility), the Trustee shall transfer from the Second Lien Principal Subaccount to the Subaccount within the Second Lien Credit Subaccount related to such Series of Second Lien Bonds or specific portion thereof and remit to the Credit Provider from said Subaccount within the Second Lien Credit Subaccount, on the Principal Payment Date on which payment is made, the lesser of the Credit Reimbursement Amount arising with respect to such drawing or the amount of money debited to such Subaccount, and thereafter, to the extent that all such payments are made, the

Trustee shall apply amounts in the Second Lien Principal Subaccounts as provided first in *Section 5.9(a)(5)*, which application shall be credited pro rata among all of the Outstanding Second Lien Bonds regardless of the Second Lien Principal Subaccount from which such amounts are applied, and second as provided in *Section 5.12(a)(8)*, which application shall be credited pro rata among all of the Outstanding Junior Lien Bonds.

- (4) On or before each Redemption Date for Second Lien Bonds for the payment of principal of which amounts have been deposited to the Second Lien Principal Subaccount, the Trustee shall withdraw from the Second Lien Principal Subaccount such amounts deposited with respect to the Second Lien Bonds called for redemption on such Redemption Date, and shall use such amounts, together with amounts available in the Second Lien Redemption Subaccount, to pay, or make provision with the Paying Agents for the payment of, principal of the Bonds on such Redemption Date; provided, however, that if and to the extent payment of principal coming due on such Second Lien Bonds or part thereof shall be made from monies drawn under a Credit Facility (other than a Debt Service Reserve Account Facility), the Trustee shall transfer to the subaccount within the Second Lien Credit Subaccount related to such Second Lien Bonds or part thereof and remit to the Credit Provider from said Subaccount within the Second Lien Credit Subaccount, on the Redemption Date on which payment is made, the lesser of the Credit Provider Reimbursement or the amount of money credited into such Subaccount.

(d) Second Lien Redemption Subaccount.

- (1) Except for amounts required to be deposited to the Second Lien Interest Subaccount or Second Lien Principal Subaccount, any amounts to be used to prepay Second Lien Bonds by the Issuer shall be deposited in the Second Lien Redemption Subaccount and applied to redeem or purchase and cancel Second Lien Bonds as provided by the applicable Supplemental Indenture or, if no provision is made by the applicable Supplemental Indenture such amounts at the written direction of the Issuer shall be applied to purchase Second Lien Bonds to be surrendered to the Trustee and canceled as a credit against Debt Service Requirements when due or otherwise, or to pay the principal of and premium, if any, of the Second Lien Bonds then subject to and called for redemption.
- (2) If the Series of Second Lien Bonds to be redeemed (or any specific Second Lien Bonds within such Series) is secured by a Credit Facility, and the related Credit Facility or Credit Agreement provides that payment of principal of such Series of Second Lien Bonds (or specific Second Lien Bonds within such Series) will be made from such Credit Facility, the Trustee shall transfer from the Second Lien Redemption Subaccount to the Subaccount within the Second Lien Credit Subaccount related to such Series of Second Lien Bonds and remit to the Credit Provider from such Subaccount within the Second Lien Credit Subaccount, on the redemption date, the lesser of the Credit Provider Reimbursement arising with respect to such drawing or the amount of money credited to such Subaccount.
- (3) Any funds transferred to the Second Lien Redemption Subaccount from a Construction Account as excess proceeds shall be applied at the written direction of the Issuer to the Trustee only to redeem or purchase and cancel Second Lien Bonds of the Series from which such Construction Account proceeds were derived, if any such Second Lien Bonds are Outstanding. Other funds transferred to the Second Lien Redemption Subaccount shall be applied to redeem Second Lien Bonds then subject to redemption as provided in the

applicable Supplemental Indenture or, if the Supplemental Indenture does not specifically so provide, as the Issuer shall direct in writing to the Trustee.

- (4) All income derived from the investment of amounts on deposit in the Second Lien Redemption Subaccount shall be transferred to the Second Lien Interest Subaccount and applied as a credit against the amounts next due to be transferred to the Second Lien Interest Subaccount from the Second Lien Debt Service Revenue Holding Account provided in *Section 5.28*, except that income derived from the investment of amounts transferred from the Special Revenue Account or from the Astros Payments Subaccount shall be transferred to the Special Revenue Account or Astros Payments Subaccount, as applicable. Notwithstanding the foregoing, any Rebate Amount on deposit in the Second Lien Redemption Subaccount shall be transferred to the Rebate Account at the written direction of the Issuer.

- (5) Notwithstanding any other provisions of this Indenture, moneys on deposit in the Second Lien Redemption Subaccount may be withdrawn therefrom upon written direction of the Issuer delivered to the Trustee only to the extent that such moneys have not theretofore been committed to the purchase or redemption of Second Lien Bonds for which proper notice has been given.

(e) Second Lien Expense Subaccount.

- (1) The Trustee shall create a separate Second Lien Expense Subaccount for each Series of Second Lien Bonds with such Subaccounts therein as the Issuer shall from time to time provide, and with Subaccounts for each Series of Taxable Bonds, unless the Issuer provides in a Supplemental Indenture or otherwise directs in writing that one such Account shall relate to Second Lien Bonds of more than one Series.

- (2) The Trustee shall transfer from the Pledged Revenue Account and the Special Revenue Account to the Second Lien Expense Subaccount the amounts directed by *Section 5.4(a)(13)* and *(15)*, *5.2(e)*, *5.4(c)* (for Taxable Bonds) and *5.4(d)* for the payment of amounts therein specified. The Trustee may rely in good faith upon written directions of the Issuer as to the amount to be transferred to the Second Lien Expense Subaccount, or disbursed therefrom to any payee. The amount disbursed from the Second Lien Expense Subaccount to the Trustee (as Trustee, Paying Agent, Bond Registrar, or in any other capacity) shall not exceed the amount agreed to by the Issuer as the compensation due to the Trustee for its services.

- (3) All income derived from the investment of amounts on deposit in the Second Lien Expense Subaccount shall be retained therein and applied as a credit against the amounts next due to be transferred to the Second Lien Expense Subaccount from the Pledged Revenue Account and the Special Revenue Account as provided in *Sections 5.4(a)(13)* and *(15)*, *5.2(e)*, *5.4(c)*, and *5.4(d)*.

(f) Second Lien Purchase Subaccount.

- (1) The Trustee shall deposit funds in the Second Lien Purchase Subaccount as follows and as provided in any Supplemental Indenture:

- (A) the proceeds of remarketing of Second Lien Bonds, except to the extent such proceeds are required by the terms of a Supplemental Indenture and related Remarketing Agreement to be paid to Bondowners selling

such Second Lien Bonds or to a Credit Provider which has provided the funds required to purchase Second Lien Bonds;

- (B) funds provided by a Credit Provider to purchase Second Lien Bonds;
- (C) other funds provided to the Trustee by the Issuer or any other person accompanied by a written direction to deposit such funds in the Second Lien Purchase Subaccount; and
- (D) any other funds required to be so deposited by a Supplemental Indenture.

(2) Funds from time to time held in the Second Lien Purchase Subaccount shall be disbursed therefrom as provided in the related Supplemental Indenture, or as directed in writing by the Issuer.

(3) Unless otherwise provided in the applicable Supplemental Indenture, all income derived from the investment of amounts on deposit in the Second Lien Purchase Subaccount shall be transferred upon receipt to the Pledged Revenue Account, except for income derived from the investment of amounts held to purchase Taxable Bonds, which shall be deposited to the Special Revenue Account.

(g) Second Lien Credit Subaccount.

(1) To the extent so provided in any applicable Supplemental Indenture the Trustee shall create a separate Second Lien Credit Subaccount within the Second Lien Debt Service Account for each Series of Second Lien Bonds (or specific Second Lien Bonds within a Series) secured by a Credit Facility which is not a Debt Service Reserve Account Credit Facility. In addition, for any Credit Facility which constitutes a bond insurance policy or similar instrument pursuant to which the Credit Provider is entitled to subrogation rights as to amounts paid to Bond Owners secured thereby, the Supplemental Indenture relating thereto may provide for payment directly to such Credit Provider of available amounts in the Second Lien Principal, Interest, Redemption and Purchase Subaccounts by reason of such subrogation rather than establishing a Second Lien Credit Subaccount and requiring a transfer of such amounts thereto prior to payment of such amounts to such a Credit Provider.

(2) Unless otherwise provided in a Supplemental Indenture, all amounts drawn under a Credit Facility for which a Second Lien Credit Subaccount is established under this Section to pay the principal or redemption price of, purchase price of, premium, if any, and interest on any Series of Second Lien Bonds or a specific portion thereof, shall be deposited in the related Second Lien Principal Subaccount, Second Lien Interest Subaccount, Second Lien Redemption Subaccount, Second Lien Purchase Subaccount or other Account or Subaccount created under the related Supplemental Indenture and the Trustee shall apply such amounts to the purpose for which they were drawn, as further provided in the related Supplemental Indenture. Promptly upon such deposit and application, the Trustee shall transfer from the appropriate Account or Subaccount to the applicable Second Lien Credit Subaccount all Revenues or Special Revenues or other amounts replaced by Credit Facility proceeds in an amount not exceeding the Credit Provider Reimbursement. The Trustee shall then remit such amounts from the applicable Second Lien Credit Subaccount to the applicable Credit Provider.

(3) The proceeds of any Credit Facility (other than a Debt Service Reserve Account Credit Facility) issued in connection with and for the benefit of any Series of Second Lien Bonds (or specific Second Lien Bonds within a Series) shall be deposited as provided in this subsection and the Supplemental Indenture for the related Series of Second Lien Bonds (or specific Second Lien Bonds within a Series) and shall be transferred and/or applied solely for the benefit of the Bondowners of the Series of Bonds (or specific Bonds within a Series) to which the Credit Facility relates; and accordingly, the Owners of the Bonds of any other Series shall not be entitled to the benefit of, or receive, the proceeds of a Credit Facility which does not secure the Bonds held by such Owners.

(h) Second Lien Capitalized Interest Subaccount. Except as provided in a Supplemental Indenture with respect to a Series of Second Lien Bonds, to the extent available therein, on each date Revenues or Special Revenues are transferred pursuant to *Sections 5.2(e), 5.4(a)(9), Section 5.4(c), or 5.4(d)* for the purpose of paying interest on any Series of Second Lien Bonds, the Trustee shall transfer from the Second Lien Capitalized Interest Subaccount for such Series of Bonds to any related Second Lien Interest Subaccount, the amount of such interest required to be transferred pursuant to such *Sections 5.2(e), 5.4(a)(9), 5.4(c) or 5.4(d)*. Each transfer shall be made on or immediately prior to the day on which the Trustee transfers or otherwise remits Revenues as provided in *Sections 5.2(e), 5.4(a), 5.4(c) or 5.4(d)* and shall be credited against the amounts then required to be transferred or remitted from the Pledged Revenue Account or the Special Revenue Account. Investment income on amounts held in the Second Lien Capitalized Interest Account (net of investment losses and amounts required to be transferred to the Rebate Account at the written direction of the Issuer) shall be credited to the Second Lien Capitalized Interest Account.

(i) Pro Rata Payments.

In the event the amount then on deposit in the Second Lien Debt Service Account on a Payment Date is not sufficient to pay to the Owners of the Second Lien Bonds the full amount of interest on and principal of all Outstanding Second Lien Bonds due on the Payment Date and such deficiency cannot be cured as provided in *Section 5.9*, the Trustee shall nonetheless pay out all moneys on deposit in the Second Lien Interest Subaccounts and Second Lien Principal Subaccounts to the persons entitled thereto, pro rata according to the amount owed to each (subject in all events to any provisions to the contrary as to Credit Facilities or other amounts which a Supplemental Indenture may pledge or otherwise provide for under procedures by which specific Revenues or Special Revenues thereunder are for the specific benefit of a Series of Second Lien Bonds or specific Second Lien Bonds within a Series, in which case such pro rata allocation shall be made net of the obligations owed on such Second Lien Bonds to the extent of such specific Revenues or Special Revenues), and provided that Special Revenues shall be applied solely to Taxable Bonds to the extent such Special Revenues (and the obligation with respect to such Taxable Bonds shall be netted in the same manner as for specific Revenues or Special Revenues) are in an amount greater than Allowed Special Revenues Amount.

* * *

Section 5.10. Second Lien Debt Service Reserve Account.

(a) An initial deposit to the credit of a Series Subaccount of the Second Lien Debt Service Reserve Account is to be made by the Trustee from the proceeds of each Series of Second Lien Bonds in an amount equal to the Reserve Requirement (if any) for that Series established in the Supplemental Indenture or, in lieu thereof, the Issuer may cause a Debt Service Reserve Account Credit Facility to be delivered to the Trustee for such purpose

with the prior written consent of the related Credit Provider and AGM, if AGM is not the related Credit Provider but is the Credit Provider for other Outstanding Bonds. Thereafter each Series Subaccount of the Second Lien Debt Service Reserve Account shall be maintained at the Debt Service Reserve Requirement for the related Series by transfers to the Second Lien Debt Service Reserve Account from the Pledged Revenue Account as provided in *Section 5.4(a)(14)* or the Special Revenue Account as provided in *Section 5.2(e), 5.4(c)* (for Taxable Bonds) or *Section 5.4(d)* (for Tax-Exempt Bonds); provided, however, (1) in the event the amount on deposit in a Series Subaccount of the Second Lien Debt Service Reserve Account is less than the Debt Service Reserve Requirement for the related Series because of a transfer required by *Section 5.9(a)(7)*, then the Issuer shall be required to restore the deficiency caused thereby (i) to the extent there are any amounts on deposit in the Surplus Account, by the transfer to the Trustee for deposit into each Series Subaccount of the Second Lien Debt Service Reserve Account of the full amount on deposit in the Surplus Account or such lesser amount as will cure such deficiency in the Second Lien Debt Service Reserve Account and, to the extent the full deficiency cannot be so cured, such amounts shall be applied ratably to each Series Subaccount within the Second Lien Debt Service Reserve Account which has a deficiency, and (ii) to the extent any deficiency remains following application as provided in (1)(i) hereof, by transfer of Revenues pursuant to *Section 5.4(a)(14)* and Special Revenues pursuant to *Section 5.2(e), 5.4(c), or 5.4(d)* (but solely to the extent authorized herein), in 24 substantially equal monthly deposits commencing on the first month such deficiency exists until such deficiency is remedied and all amounts owed under or in connection with a Debt Service Reserve Account Credit Facility, any related Credit Agreement and any Related Agreements have been paid in full, and (2) in the event the amount on deposit in the Series Subaccount of the Second Lien Debt Service Reserve Account is less than the Debt Service Reserve Requirement for the related Series because of any valuation of the investment securities as determined by application of *Section 8.2(b)* hereof, the Issuer shall be required to restore the deficiency caused thereby by transfers of Revenues pursuant to *Section 5.4(a)(14)* and in Special Revenues required by *Section 5.2(e), 5.4(c), or 5.4(d)* (but solely to the extent authorized therein) in 24 substantially equal monthly deposits commencing on the first month following a determination that such deficiency exists.

- (b) If on any Interest Payment Date there are not sufficient amounts on deposit in the Second Lien Interest Subaccount to pay the total amount of interest coming due on any Second Lien Bonds entitled to the benefit and security of a Subaccount of the Second Lien Debt Service Reserve Account on such Interest Payment Date or if on any Principal Payment Date there are not sufficient amounts on deposit in the Second Lien Principal Subaccount to pay the total amount of principal coming due on any Second Lien Bonds entitled to the benefit and security of a Subaccount of the Second Lien Debt Service Reserve Account on such Principal Payment Date, and after making the transfers required to be made from other Accounts as provided in *Section 5.9(a)* prior to a transfer from the Second Lien Debt Service Reserve Account, the Trustee shall transfer sums on deposit in the Second Lien Debt Service Reserve Account, as provided in *Section 5.9(a)(7)*, to the Second Lien Interest Subaccount or Second Lien Principal Subaccount, as the case may be, in an amount sufficient to make up any such deficiency for any Second Lien Bonds entitled to the benefit and security of the related Subaccount of the Second Lien Debt Service Reserve Account. At the time of such transfer the Trustee shall notify the Issuer and the related Credit Provider of such transfer. In all such events, the Trustee shall not draw on any Debt Service Reserve Account Credit Facility until all cash and any investment securities in the related Subaccount of the Second Lien Debt Service Reserve Account have been liquidated and applied as aforesaid unless all Credit Providers which have provided Debt Service Reserve Account Credit Facilities for the Series of Second Lien Bond or Bonds with respect to which such Subaccount has been established have consented in writing to a different order of liquidation of investments. In the event that the amounts on deposit in the Second Lien Debt Service Reserve Account are invested in

one or more investment securities, the Trustee shall comply with timely written direction (if any) of the Issuer as to any required liquidation, sale or other disposition of any investment in connection with the provisions of this Section.

- (c) Except as provided in *Section 5.10(d)* below, following any transfer required by (b) of this Section the Trustee shall withdraw from the Second Lien Debt Service Reserve Account and remit the Credit Provider Reimbursement to each Credit Provider (other than a Credit Provider which has provided a Debt Service Reserve Account Credit Facility) pursuant to *Section 5.4(a)(16)*, *Section 5.2(e)*, *Section 5.4(c)*, *Section 5.4(d)*, and *Section 5.8(g)*; and provided further, that if the amount then on deposit in the Second Lien Debt Service Reserve Account is not sufficient to pay the Credit Provider Reimbursement when due to all Credit Providers, the Trustee shall pay to each Credit Provider entitled to such payments from the amount available (pro rata according to the Credit Provider Reimbursement due to each Credit Provider) a portion of the Credit Provider Reimbursement then due until all funds in the Second Lien Debt Service Reserve Account are exhausted.
- (d) Debt Service Reserve Account Credit Facility.
 - (1) To the extent so provided in the applicable Supplemental Indenture, the Trustee shall create a separate Second Lien Debt Service Reserve Subaccount for each Debt Service Reserve Account Credit Facility.
 - (2) The Trustee shall deposit in the related Second Lien Debt Service Reserve Subaccount all amounts drawn under or in connection with a Debt Service Reserve Account Credit Facility required to pay the principal or redemption price of and interest on any Series of Second Lien Bonds or a specific portion thereof and shall apply such amounts to the purpose for which they were drawn as provided in *Section 5.9(a)(7)*, and as may be further provided in the related Supplemental Indenture.
 - (3) If and to the extent that the amount on deposit in the Second Lien Debt Service Reserve Account is less than the Debt Service Reserve Requirement and Revenues or Special Revenues are transferred to the Second Lien Debt Service Reserve Subaccount pursuant to *Sections 5.2(e)*, *5.4(a)(14)*, *5.4(c)*, or *5.4(d)*, such Revenues or Special Revenues shall be applied first to satisfy any Credit Provider Reimbursement which relates to a Debt Service Reserve Account Credit Facility, including interest or expenses relating to any repayment obligation of the Issuer which may arise by reason of a drawing on such Debt Service Reserve Account Credit Facility, with payment being made first to any amounts required to reinstate such Debt Service Reserve Account Credit Facility.
- (e) All income derived from the investment of amounts on deposit in the Second Lien Debt Service Reserve Account and any Subaccount therein shall be retained therein at all times when the amount on deposit in the Second Lien Debt Service Reserve Account is less than the Debt Service Reserve Requirement for the Second Lien Bonds, and at all other times shall be transferred to the Pledged Revenue Account (if held with respect to Tax-Exempt Bonds) or the Special Revenue Account (if held with respect to Taxable Bonds) and applied as provided in *Sections 5.2(e)*, *5.4(c)*, or *5.4(d)*, as applicable, and otherwise transferred to the Pledged Revenue Account and applied as otherwise required by *Section 5.4(a)*; provided that in all events, all Rebate Amounts allocable to amounts on deposit in the Second Lien Debt Service Reserve Account shall be transferred at the written direction of the Issuer to the Rebate Account or to any applicable Subaccount thereof established by a Supplemental Indenture.

- (f) No later than 13 months preceding the final Maturity Date of each Series of Second Lien Bonds, the Issuer may elect in writing and direct the Trustee whether to apply amounts in the Subaccount of the Second Lien Debt Service Reserve Account relating to such Series (other than Debt Service Reserve Account surety policies) to the payment of the amount due on such final maturity date. The amount so applied shall not exceed the lesser of (1) the Debt Service Reserve Requirement attributable to that Series of Second Lien Bonds, or (2) the amount actually on deposit in the Second Lien Debt Service Reserve Account and attributable to that Series of Second Lien Bonds. If the Issuer elects to so apply amounts in the Second Lien Debt Service Reserve Account, the amount to be so applied shall be transferred, in one-twelfth (1/12) installments, to the related Second Lien Interest Subaccount and Second Lien Principal Subaccount and each amount transferred shall be credited against the monthly amounts transferrable from the Pledged Revenue Account or the Special Revenue Account to the related Second Lien Interest Subaccount and Second Lien Principal Subaccount under *Section 5.4* on account of the Series of Second Lien Bonds for which the election is made.

Section 5.11. Junior Lien Debt Service Accounts and Subaccounts Therein.

- (a) There shall be deposited into the Junior Lien Debt Service Account all amounts required to be remitted, transferred or otherwise deposited therein as provided in *Sections 5.2(e), 5.4(a), 5.4(c), and 5.4(d)*, together with such additional amounts to be deposited into various specified Subaccounts within the Junior Lien Debt Service Account as described in this Section.
- (b) Junior Lien Interest Subaccount.
- (1) There shall be deposited in each Junior Lien Interest Subaccount, upon issuance of each Series of Junior Lien Bonds, the amount of accrued interest received from the Original Purchaser thereof, and shall be deposited monthly any other amounts required by *Sections 5.2(e), 5.4(c)* (but only for Taxable Bonds) or *5.4(d)*. If on any Interest Payment Date there are not sufficient amounts on deposit in the Junior Lien Interest Subaccount to pay the total amount of interest coming due on the Junior Lien Bonds on such Interest Payment Date, the Trustee shall forthwith transfer to the Junior Lien Interest Subaccount from other Accounts or Subaccounts, in the order listed in *Section 5.12*, an amount equal to the deficiency. Interest income derived from the investment of amounts on deposit in the Junior Lien Interest Subaccount of the Junior Lien Debt Service Account shall remain in the applicable Junior Lien Interest Subaccount and shall be credited against the amount next due to be transferred to such Junior Lien Interest Subaccount from the Junior Lien Debt Service Reserve Holding Account pursuant to *Section 5.31* and from the Special Revenue Account pursuant to *Sections 5.2(e), Section 5.4(c)* (but only for Taxable Bonds), or *Section 5.4(d)*. Notwithstanding the foregoing, any Rebate Amount on deposit in Junior Lien Interest Account shall be transferred to the Rebate Account at the written direction of the Issuer.
- (2) On each Interest Payment Date for Junior Lien Bonds the Trustee shall withdraw from the Junior Lien Interest Subaccount an amount sufficient to pay the interest coming due on the Junior Lien Bonds on such Interest Payment Date, and shall use such amounts to pay, or make provision with the Paying Agent for the payment of interest on the Junior Lien Bonds on such Interest Payment Date; provided however, that if and to the extent payment of interest on the Junior Lien Bonds, or any Series thereof or specific portion thereof, shall be made from moneys drawn under a Credit Facility (other than a Debt Service Reserve Account Credit Facility), the Trustee shall transfer from the Junior Lien Interest Subaccount to the Subaccount in the Junior Lien Credit Subaccount

relating to such a Series of Junior Lien Bonds or specific portion thereof and remit to the Credit Provider from said Subaccount in such Junior Lien Credit Subaccount, on the Interest Payment Date the lesser of the Credit Provider Reimbursement arising with respect to such drawing or the amount of money credited to such Subaccount.

- (3) On each Redemption Date for Junior Lien Bonds other than an Interest Payment Date, the Trustee shall withdraw from the Junior Lien Interest Subaccount an amount sufficient to pay the interest coming due on the Junior Lien Bonds on such Redemption Date and shall use such amounts to pay, or make provision with the Paying Agent for the payment of interest on such Junior Lien Bonds on such Redemption Date; provided however, that if and to the extent payment of interest on such Junior Lien Bonds shall be made from moneys drawn under a Credit Facility (other than a Debt Service Reserve Account Credit Facility), the Trustee shall transfer to the Subaccount in the Junior Lien Credit Subaccount relating to such a Series of Junior Lien Bonds or specific portion thereof and remit to the Credit Provider from said Subaccount in such Junior Lien Credit Subaccount, on the Redemption Date, the lesser of the Credit Provider Reimbursement or the amount of money credited to such Subaccount.

(c) Junior Lien Principal Subaccount.

- (1) There shall be transferred to each Junior Lien Principal Subaccount, monthly, any amount required to be transferred from the Special Revenue Account as required by *Sections 5.2(e), 5.4(c)* (but only for Taxable Bonds), and *Section 5.4(d)*. If on any Principal Payment Date there are not sufficient amounts on deposit in the Junior Lien Principal Subaccount to pay the total amount of principal coming due on the Junior Lien Bonds on such Principal Payment Date, the Trustee shall forthwith transfer to the Junior Lien Principal Subaccount from other Accounts, in the order listed in *Section 5.12*, an amount equal to the deficiency. All interest income derived from the investment of amounts on deposit in the Junior Lien Principal Subaccount shall remain in the Junior Lien Principal Subaccount in which the income is earned and be credited against the amount next due to be transferred to the Junior Lien Principal Subaccount from the Junior Lien Debt Service Revenue Holding Account pursuant to *Section 5.31* and from the Special Revenue Account as required by *Sections 5.2(e), Section 5.4(c)* (but only for Taxable Bonds), and *Section 5.4(d)*. Notwithstanding the foregoing, any Rebate Amount on deposit in the Junior Lien Principal Subaccount shall be transferred to the Rebate Account at the written direction of the Issuer.
- (2) Amounts on deposit from time to time in the Junior Lien Principal Subaccount shall be used on any Interest Payment Date to provide sums equal to any deficiency in the Junior Lien Interest Subaccount as provided in *Section 5.12(a)(7)*.
- (3) On or before each Principal Payment Date for Junior Lien Bonds, the Trustee shall withdraw from the Junior Lien Principal Subaccount an amount sufficient to pay the scheduled principal coming due on the Junior Lien Bonds on such Principal Payment Date, and shall use such amounts to pay, or make provision with the Paying Agents for the payment of, principal of the Bonds on such Principal Payment Date, whether by reason of stated maturity or by reason of Mandatory Sinking Fund Requirements applicable to any Term Bonds which are Junior Lien Bonds; provided, however, that if and to the extent payment of principal coming due on the Junior Lien Bonds, or any Series thereof or specific

portion thereof, shall be made from monies drawn under a Credit Facility (other than a Debt Service Reserve Account Facility), the Trustee shall transfer from the Junior Lien Principal Subaccount to the Subaccount within the Junior Lien Credit Subaccount related to such Series of Junior Lien Bonds or specific portion thereof and remit to the Credit Provider from said Subaccount within the Junior Lien Credit Subaccount, on the Principal Payment Date on which payment is made, the lesser of the Credit Provider Reimbursement arising with respect to such drawing or the amount of money credited to such Subaccount.

- (4) On or before each Redemption Date for Junior Lien Bonds for the payment of principal of which amounts have been deposited to the Junior Lien Principal Subaccount, the Trustee shall withdraw from the Junior Lien Principal Subaccount such amounts deposited with respect to the Junior Lien Bonds called for redemption on such Redemption Date, and shall use such amounts, together with amounts available in the Junior Lien Redemption Subaccount, to pay, or make provision with the Paying Agents for the payment of, principal of the Bonds on such Redemption Date; provided, however, that if and to the extent payment of principal coming due on such Junior Lien Bonds or part thereof, shall be made from monies drawn under a Credit Facility (other than a Debt Service Reserve Account Facility), the Trustee shall transfer to the subaccount within the Junior Lien Credit Subaccount related to such Junior Lien Bonds or part thereof and remit to the Credit Provider from said Subaccount within the Junior Lien Credit Subaccount, on the Redemption Date on which payment is made, the lesser of the Credit Provider Reimbursement or the amount of money credited to such Subaccount.

(d) Junior Lien Redemption Subaccount.

- (1) Except for amounts required to be deposited to the Junior Lien Interest Subaccount or Junior Lien Principal Subaccount, any amounts to be used to prepay Junior Lien Bonds by the Issuer shall be deposited in the Junior Lien Redemption Subaccount and applied to redeem or purchase and cancel Junior Lien Bonds as provided by the applicable Supplemental Indenture or, if no provision is made by the applicable Supplemental Indenture such amounts at the written direction of the Issuer shall be applied to purchase Junior Lien Bonds to be surrendered to the Trustee and canceled as a credit against Debt Service Requirements when due or otherwise, or to pay the principal of and premium, if any, of the Junior Lien Bonds then subject to and called for redemption.
- (2) If the Series of Junior Lien Bonds to be redeemed (or any specific Junior Lien Bonds within such Series) is secured by a Credit Facility, and the related Credit Facility or Credit Agreement provides that payment of principal of such Series of Junior Lien Bonds (or specific Junior Lien Bonds within such Series) will be made from such Credit Facility, the Trustee shall transfer from the Junior Lien Redemption Subaccount to the Subaccount within the Junior Lien Credit Subaccount related to such Series of Junior Lien Bonds and remit to the Credit Provider from such subaccount within the Junior Lien Credit Subaccount, on the redemption date, the lesser of the Credit Provider Reimbursement arising with respect to such drawing or the amount of money credited to such Subaccount.
- (3) Any funds transferred to the Junior Lien Redemption Subaccount from a Construction Account as excess proceeds shall be applied upon written direction of the Issuer to the Trustee only to redeem or purchase and cancel Junior Lien Bonds of the Series from which such Construction Account proceeds were derived, if any such Junior Lien Bonds are Outstanding. Other

funds transferred to the Junior Lien Redemption Subaccount shall be applied to redeem Junior Lien Bonds then subject to redemption as provided in the applicable Supplemental Indenture or, if the Supplemental Indenture does not specifically so provide, as the Issuer shall direct in writing to the Trustee.

- (4) All income derived from the investment of amounts on deposit in the Junior Lien Redemption Subaccount shall be transferred to the Junior Lien Interest Subaccount and applied as a credit against the amounts next due to be transferred to the Junior Lien Interest Subaccount from the Junior Lien Debt Service Revenue Holding Account pursuant to *Section 5.31*, except that income derived from investment of amounts transferred from the Special Revenue Account or the Astros Payments Subaccount shall be transferred to the Special Revenue Account or the Astros Payments Subaccount, as applicable. Notwithstanding the foregoing, any Rebate Amount on deposit in the Junior Lien Redemption Subaccount shall be transferred to the Rebate Account at the written direction of the Issuer.

- (5) Notwithstanding any other provisions of this Indenture, moneys on deposit in the Junior Lien Redemption Subaccount may be withdrawn therefrom upon the written direction of the Issuer to the Trustee only to the extent that such moneys have not theretofore been committed to the purchase or redemption of Junior Lien Bonds for which proper notice has been given.

(e) Junior Lien Expense Subaccount.

- (1) The Trustee shall create a separate Junior Lien Expense Subaccount for each Series of Junior Lien Bonds with such Subaccounts therein as the Issuer shall from time to time provide, unless the Issuer provides in a Supplemental Indenture or otherwise directs in writing that one such Account shall relate to Junior Lien Bonds of more than one Series.

- (2) The Trustee shall transfer from the Pledged Revenue Account and the Special Revenue Account to the Junior Lien Expense Subaccount the amounts directed by *Sections 5.2(e), 5.4(a)(21) and (23), 5.4(c)* (for Taxable Bonds), and *5.4(d)* hereof for the payment of amounts therein specified. The Trustee may rely in good faith upon written directions of the Issuer as to the amount to be transferred to the Junior Lien Expense Subaccount, or disbursed therefrom to any payee. The amount disbursed from the Junior Lien Expense Subaccount to the Trustee (as Trustee, Paying Agent, Bond Registrar, or in any other capacity) shall not exceed the amount agreed to by the Issuer as the compensation due to the Trustee for its services.

- (3) All income derived from the investment of amounts on deposit in the Junior Lien Expense Subaccount shall be retained therein and applied as a credit against the amounts next due to be transferred to the Junior Lien Expense Subaccount from the Pledged Revenue Account or the Special Revenue Account as provided in *Sections 5.2(e), 5.4(a)(21) and (23), 5.4(c), and 5.4(d)*.

(f) Junior Lien Purchase Subaccount.

- (1) The Trustee shall deposit funds in the Junior Lien Purchase Subaccount as follows and as provided in any Supplemental Indenture:

- (A) the proceeds of remarketing of Junior Lien Bonds, except to the extent such proceeds are required by the terms of a Supplemental Indenture

and related Remarketing Agreement to be paid to Bondowners selling such Junior Lien Bonds or to a Credit Provider which has provided the funds required to purchase Junior Lien Bonds;

- (B) funds provided by a Credit Provider to purchase Junior Lien Bonds;
- (C) other funds provided to the Trustee by the Issuer or any other person accompanied by a written direction to deposit such funds in the Junior Lien Purchase Subaccount; and
- (D) any other funds required to be so deposited by a Supplemental Indenture.

(2) Funds from time to time held in the Junior Lien Purchase Subaccount shall be disbursed therefrom as provided in the related Supplemental Indenture, or as directed in writing by the Issuer.

(3) Unless otherwise provided in the applicable Supplemental Indenture, all income derived from the investment of amounts on deposit in the Junior Lien Purchase Subaccount shall be transferred upon receipt to the Pledged Revenue Account, except for income derived from the investment of amounts held to purchase Taxable Bonds, which shall be deposited to the Special Revenue Account.

(g) Junior Lien Credit Subaccount.

(1) To the extent so provided in any applicable Supplemental Indenture the Trustee shall create a separate Junior Lien Credit Subaccount within the Junior Lien Debt Service Account for each Series of Junior Lien Bonds (or specific Junior Lien Bonds within a Series) secured by a Credit Facility which is not a Debt Service Reserve Account Credit Facility. In addition, for any Credit Facility which constitutes a bond insurance policy or similar instrument pursuant to which the Credit Provider is entitled to subrogation rights as to amounts paid to Bond Owners secured thereby, the Supplemental Indenture relating thereto may provide for payment directly to such Credit Provider of available amounts in the Junior Lien Principal, Interest, Redemption, and Purchase Subaccounts by reason of such subrogation rather than establishing a Junior Lien Credit Subaccount and requiring a transfer of such amounts thereto prior to payment of such amounts to such a Credit Provider.

(2) Unless otherwise provided in a Supplemental Indenture, all amounts drawn under a Credit Facility for which a Junior Lien Credit Subaccount is established under this Section to pay the principal or redemption price of, purchase price of, premium, if any, and interest on any Series of Junior Lien Bonds or a specific portion thereof, shall be deposited in the related Junior Lien Principal Subaccount, Junior Lien Interest Subaccount, Junior Lien Redemption Subaccount, Junior Lien Purchase Subaccount or other Account or Subaccount created under the related Supplemental Indenture and the Trustee shall apply such amounts to the purpose for which they were drawn, as further provided in the related Supplemental Indenture. Promptly upon such deposit and application, the Trustee shall transfer from the appropriate Account or Subaccount to the applicable Junior Lien Credit Subaccount all Revenues or Special Revenues or other amounts replaced by Credit Facility proceeds in an amount not exceeding the Credit Provider Reimbursement. The Trustee shall then remit such amounts from the applicable Junior Lien Credit Subaccount to the applicable Credit Provider.

(3) The proceeds of any Credit Facility (other than a Debt Service Reserve Account Credit Facility) issued in connection with and for the benefit of any Series of Junior Lien Bonds (or specific Junior Lien Bonds within a Series) shall be deposited as provided in this subsection and the Supplemental Indenture for the related Series of Junior Lien Bonds (or specific Junior Lien Bonds within a Series) and shall be transferred and/or applied solely for the benefit of the Bondowners of the Series of Bonds (or specific Bonds within a Series) to which the Credit Facility relates; and accordingly, the Owners of the Bonds of any other Series shall not be entitled to the benefit of, or receive, the proceeds of a Credit Facility which does not secure the Bonds held by such Owners.

(h) Junior Lien Capitalized Interest Subaccount. Except as provided in a Supplemental Indenture with respect to a Series of Junior Lien Bonds, to the extent available therein, on each date Revenues or Special Revenues are transferred pursuant to *Sections 5.2(e), 5.4(a)(17), 5.4(c), or 5.4(d)* for the purpose of paying interest on any Series of Junior Lien Bonds, the Trustee shall transfer from the Junior Lien Capitalized Interest Subaccount for such Series of Bonds to any related Junior Lien Interest Subaccount, the amount of interest required to be transferred pursuant to such *Sections 5.2(e), 5.4(a)(17), 5.4(c), or 5.4(d)*. Each transfer shall be made on or immediately prior to the day on which the Trustee transfers or otherwise remits Revenues as provided in *Sections 5.2(e), 5.4(a), 5.4(c), or 5.4(d)*, and shall be credited against the amounts then required to be transferred or remitted from the Pledged Revenue Account or Special Revenue Account. Investment income on amounts held in a Junior Lien Capitalized Interest Subaccount (net of investment losses and amounts required to be transferred to the Rebate Account at the written direction of the Issuer) shall be credited to such Junior Lien Capitalized Interest Subaccount.

(i) Pro Rata Payments.

In the event the amount then on deposit in the Junior Lien Debt Service Account on a Payment Date is not sufficient to pay to the Owners of the Junior Lien Bonds the full amount of interest on and principal of all Outstanding Junior Lien Bonds due on the Payment Date and such deficiency cannot be cured as provided in *Section 5.12*, the Trustee shall nonetheless pay out all moneys on deposit in the Junior Lien Debt Service Revenue Holding Account, Junior Lien Interest Subaccounts, Junior Lien Principal Subaccounts to the persons entitled thereto, pro rata according to the amount owed to each (subject in all events to any provisions to the contrary as to Credit Facilities or other amounts which a Supplemental Indenture may pledge or otherwise provide for under procedures by which specific Revenues or Special Revenues thereunder are for the specific benefit of a Series of Junior Lien Bonds or specific Junior Lien Bonds within a Series, in which case such pro rata allocation shall be made net of the obligations owed on such Junior Lien Bonds to the extent of such specific Revenues or Special Revenues), and provided that Special Revenues shall be applied solely to Taxable Bonds to the extent such Special Revenues (and the obligation with respect to such Taxable Bonds shall be netted in the same manner as for specific Revenues or Special Revenues) are in an amount greater than Allowed Special Revenues Amount.

* * *

Section 5.13. Junior Lien Debt Service Reserve Account.

(a) An initial deposit to the credit of a Series Subaccount of the Junior Lien Debt Service Reserve Account is to be made by the Trustee from the proceeds of each Series of Junior Lien Bonds in an amount equal to the Reserve Requirement (if any) for that Series established in the Supplemental Indenture or, in lieu thereof, the Issuer may cause a Debt Service Reserve Account Credit Facility to be delivered to the Trustee for such purpose

with the prior written consent of the related Credit Provider and AGM, if AGM is not the related Credit Provider but is the Credit Provider for other Outstanding Bonds. Thereafter each Series Subaccount of the Junior Lien Debt Service Reserve Account shall be maintained at the Debt Service Reserve Requirement for the related Series by transfers to the Junior Lien Debt Service Reserve Account from the Pledged Revenue Account as provided in *Sections 5.4(a)(22)* or the Special Revenue Account as provided in *Section 5.2(e), Section 5.4(c)* (for Taxable Bonds) or *Section 5.4(d)* (for Tax-Exempt Bonds); provided, however, (1) in the event the amount on deposit in a Series Subaccount of the Junior Lien Debt Service Reserve Account is less than the Debt Service Reserve Account Requirement for the related Series because of a transfer required by *Section 5.12(a)(12)*, then the Issuer shall be required to restore the deficiency caused thereby (i) to the extent there are any amounts on deposit in the Surplus Account, by the transfer to the Trustee for deposit into each Series Subaccount of the Junior Lien Debt Service Reserve Account of the full amount on deposit in the Surplus Account or such lesser amount as will cure such deficiency in the Junior Lien Debt Service Reserve Account and, to the extent the full deficiency cannot be so cured, such amounts shall be applied ratably to each Series Subaccount within the Junior Lien Debt Service Reserve Account which has a deficiency, and (ii) to the extent any deficiency remains following application as provided in (1)(i) hereof, by transfer of Revenues pursuant to *Section 5.4(a)(22)* and Special Revenues pursuant to *Section 5.2(e), Section 5.4(c)*, or *Section 5.4(d)* (but solely to the extent authorized therein) in 12 substantially equal monthly deposits commencing on the first month such deficiency exists until such deficiency is remedied and all amounts owed under or in connection with a Debt Service Reserve Account Credit Facility, any related Credit Agreement and any Related Agreements have been paid in full, and (2) in the event the amount on deposit in the Series Subaccount of the Junior Lien Debt Service Reserve Account is less than the Debt Service Reserve Account Requirement for the related Series because of any valuation of the investment securities as determined by application of *Section 8.2(b)* hereof, the Issuer shall be required to restore the deficiency caused thereby by transfers of Revenues pursuant to *Section 5.4(a)(22)*, and Special Revenues pursuant to *Section 5.2(e), Section 5.4(c)*, or *Section 5.4(d)* (but solely to the extent authorized therein) in 12 substantially equal monthly deposits commencing on the first month following a determination that such deficiency exists.

- (b) If on any Interest Payment Date there are not sufficient amounts on deposit in the Junior Lien Interest Subaccount to pay the total amount of interest coming due on any Junior Lien Bonds entitled to the benefit and security of a Subaccount of the Junior Lien Debt Service Reserve Account on such Interest Payment Date or if on any Principal Payment Date there are not sufficient amounts on deposit in the Junior Lien Principal Subaccount to pay the total amount of principal coming due on any Junior Lien Bonds entitled to the benefit and security of Subaccount of the Junior Lien Debt Service Reserve Account on such Principal Payment Date, and after making the transfers required to be made from other Accounts as provided in *Section 5.12(a)* prior to a transfer from the Junior Lien Debt Service Reserve Account, the Trustee shall transfer sums on deposit in the Junior Lien Debt Service Reserve Account, as provided in *Section 5.12(a)(12)*, to the Junior Lien Interest Subaccount or Junior Lien Principal Subaccount, as the case may be, in an amount sufficient to make up any such deficiency for any Junior Lien Bonds entitled to the benefit and security of the related Subaccount of the Junior Lien Debt Service Reserve Account. At the time of such transfer the Trustee shall notify the Issuer and the related Credit Provider of such transfer. In all such events, the Trustee shall not draw on any Debt Service Reserve Account Credit Facility until all cash and any investment securities in the related Subaccount of the Junior Lien Debt Service Reserve Account have been liquidated and applied as aforesaid unless all Credit Providers which have provided Debt Service Reserve Account Credit Facilities for the Series of Junior Lien Bond or Bonds with respect to which such Subaccount has been established have consented in writing to a different order of liquidation of investments. In the event that the amounts on deposit in the Junior Lien Debt Service Reserve Account are invested in

one or more investment securities, the Trustee shall comply with timely written direction (if any) of the Issuer as to any required liquidation, sale or other disposition of any investment in connection with the provisions of this Section.

- (c) Except as provided in *Section 5.13(d)* below, following any transfer required by (b) of this Section the Trustee shall withdraw from the Junior Lien Debt Service Reserve Account and remit the Credit Providers Reimbursement to each Credit Provider (other than a Credit Provider which has provided a Debt Service Reserve Account Credit Facility) pursuant to *Section 5.2(e)*, *Section 5.4(a)(19)*, *Section 5.4(c)*, *Section 5.4(d)*, and *Section 5.11(g)*; and provided further, that if the amount then on deposit in the Junior Lien Debt Service Reserve Account is not sufficient to pay the Credit Providers Reimbursement when due to all Credit Providers, the Trustee shall pay to each Credit Provider entitled to such payments from the amount available (pro rata according to the Credit Providers Reimbursement due to each Credit Provider) a portion of the Credit Providers Reimbursement then due until all funds in the Junior Lien Debt Service Reserve Account are exhausted.
- (d) Debt Service Reserve Account Credit Facility.
 - (1) To the extent so provided in the applicable Supplemental Indenture, the Trustee shall create a separate Junior Lien Debt Service Reserve Subaccount for each Debt Service Reserve Account Credit Facility.
 - (2) The Trustee shall deposit in the related Junior Lien Debt Service Reserve Subaccount all amounts drawn under or in connection with a Debt Service Reserve Account Credit Facility required to pay the principal or redemption price of and interest on any Series of Junior Lien Bonds or a specific portion thereof and shall apply such amounts to the purpose for which they were drawn as provided in *Section 5.12(a)(12)* and as may be further provided in the related Supplemental Indenture.
 - (3) If and to the extent that the amount on deposit in the Junior Lien Debt Service Reserve Account is less than the Debt Service Reserve Requirement and Revenues or Special Revenues are transferred to a Junior Lien Debt Service Reserve Subaccount pursuant to *Sections 5.2(e)*, *5.4(a)(22)*, *5.4(c)* or *5.4(d)*, such Revenues or Special Revenues shall be applied first to satisfy any Credit Provider Reimbursement which relates to a Debt Service Reserve Account Credit Facility, including interest or expenses relating to any repayment obligation of the Issuer which may arise by reason of a drawing on such Debt Service Reserve Account Credit Facility, with payment being made first to any amounts required to reinstate such Debt Service Reserve Account Credit Facility.
- (e) All income derived from the investment of amounts on deposit in the Junior Lien Debt Service Reserve Account and any Subaccount therein shall be retained therein at all times when the amount on deposit in the Junior Lien Debt Service Reserve Account is less than the Debt Service Reserve Requirement for the Junior Lien Bonds, and at all other times shall be transferred to the Pledged Revenue Account (if held with respect to Tax-Exempt Bonds) or the Special Revenue Account (if held with respect to Taxable Bonds) and applied as provided in *Sections 5.2(e)*, *5.4(c)*, or *5.4(d)*, as applicable, and otherwise transferred to the Pledged Revenue Account and applied as otherwise required by *Section 5.4(a)*; provided that in all events, all Rebate Amounts allocable to amounts on deposit in the Junior Lien Debt Service Reserve Account shall be transferred at the written direction of the Issuer to the Rebate Account or to any applicable Subaccount thereof established by a Supplemental Indenture

- (f) No later than 13 months preceding the final Maturity Date of each Series of Junior Lien Bonds, the Issuer may elect in writing and direct the Trustee whether to apply amounts in the Subaccount of the Junior Lien Debt Service Reserve Account relating to such Series (other than Debt Service Reserve Account surety policies) to the payment of the amount due on such final maturity date. The amount so applied shall not exceed the lesser of (1) the Debt Service Reserve Requirement attributable to that Series of Junior Lien Bonds, or (2) the amount actually on deposit in the Junior Lien Debt Service Reserve Account and attributable to that Series of Junior Lien Bonds. If the Issuer elects to so apply amounts in the Junior Lien Debt Service Reserve Account, the amount to be so applied shall be transferred, in one-twelfth (1/12) installments, to the related Junior Lien Interest Subaccount and Junior Lien Principal Subaccount and each amount transferred shall be credited in whole against the Junior Monthly Interest Payment (Fixed), Junior Monthly Interest Payment (Non-Fixed), and Junior Monthly Principal Payment from the Pledged Revenue Account or Special Revenue Account as such transfers had been made to the related Junior Lien Interest Subaccount and Junior Lien Principal Subaccount under *Section 5.4* on account of the Series of Junior Lien Bonds for which the election is made.

Section 5.14. Cost of Issuance Account.

- (a) For any Series of Bonds for which no amount is held within the Construction Account to pay Costs of Issuance, the Trustee may establish within the Cost of Issuance Account a separate, segregated account for the benefit of one or more Series of Bonds as provided in the Supplemental Indenture creating such Series of Bonds. There shall be deposited in the Cost of Issuance Account, from the proceeds of each Series of Bonds, the amount specified pursuant to the Supplemental Indenture creating such account. Further deposits to the Cost of Issuance Account may be made from time to time as the Issuer shall determine from any lawful source including from any Account in the Construction Account as provided in *Section 5.3*.
- (b) Amounts from time to time on deposit in the Cost of Issuance Account shall be disbursed by the Trustee to or upon the written order of the Issuer to pay the Costs of Issuance of a Series of Bonds. The Trustee shall disburse funds from the Cost of Issuance Account upon receipt from the Issuer of a requisition or certificate specifying the amount to be disbursed, the payee of each such amount, and the purpose of each such payment.
- (c) On the date which is 180 days following the date of the Bond Closing of each Series of Bonds, any funds remaining in the Cost of Issuance Account deposited from or on account of such Series of Bonds shall be transferred to the related subaccount for such Series of Bonds in the Construction Account, except that the Issuer may, by certificate delivered to the Trustee on or before such 180th day, direct transfer earlier than such date, or direct the Trustee to retain moneys in the Cost of Issuance Account after such date, or direct transfer to a person or Account other than the Construction Account or the related Account therein.
- (d) In the absence of contrary instructions in any Supplemental Indenture, investment earnings on amounts held in the Cost of Issuance Account (or any Subaccount thereof) shall be credited to the Construction Account (or to the Subaccount therein corresponding to the Series of Bonds from which the amounts in the Cost of Issuance Account are derived) upon receipt.

Section 5.15. Rebate Account.

- (a) To the extent that any Supplemental Indenture for one or more Series of Tax-Exempt Bonds may require the Issuer to calculate and pay to the United States any amount from the Rebate Account for the preservation of the tax exempt status of the interest on such Series, then the Trustee shall, at the written direction of the Issuer, transfer to the Rebate

Account from any Accounts or Subaccount the amount required to be remitted to the United States or otherwise transferred to the Rebate Account, and upon further written direction of the Issuer shall transfer such amount to the United States. Moneys deposited and held in the Rebate Account shall not be subject to the lien or pledge of the Indenture.

- (b) If, at the time of any calculation, the amount on deposit in the Rebate Accounts or and Subaccounts thereof attributable to a specific issue of Tax-Exempt Bonds exceeds the Rebate Amount for such issue of Tax-Exempt Bonds, the Trustee shall transfer the excess to the Pledged Revenue Account.
- (c) If the Trustee does not have on deposit in the Rebate Account or any applicable Subaccount sufficient amounts to make the payments to the United States Government required by any Supplemental Indenture, the Trustee shall direct the Issuer to remit to the Trustee, in immediately available funds, within 5 Business Days, the amount of the deficiency.
- (d) One or more Rebate Experts may be selected by the Issuer, and the fees and expenses of any Rebate Expert shall be paid as a Bond Related Cost, as provided in an agreement between the Issuer and the Rebate Expert. Upon the written direction of the Issuer to the Trustee all actions required to be taken by the Issuer pursuant to this Section, including the transfer of any amounts from any Account or Subaccount, may be taken by such Rebate Expert. If selection of a Rebate Expert is required by any Supplemental Indenture and the Issuer fails or refuses to select a Rebate Expert, the Trustee may do so and may pay the fees and expenses of the Rebate Expert as a Bond Related Cost.
- (e) Investment earnings on amounts held in the Rebate Account (or any Subaccount thereof) shall be credited to the Rebate Account (or to such Subaccount) upon receipt.

Section 5.16. Third Lien Bonds Account.

- (a) The Issuer may create and cause to be maintained as part of the Venue Project Fund for one or more Third Lien Bonds Accounts or Subaccounts under a Supplemental Indenture or other instrument authorizing Third Lien Bonds to be held by the Issuer, by a trustee for such Third Lien Bonds (which may be the Trustee acting in a separate capacity), or as otherwise provided, subject to such terms and priorities among such accounts and subaccounts as is provided in the Supplemental Indenture or other instrument pursuant to which such Third Lien Bonds are issued.

Section 5.161. Revenue Recycling Account.

- (a) Prior to June 15, 2024, on the same dates and immediately before the application of amounts in the Astros Payment Subaccount pursuant to *Section 5.2(e)* and the application of the amounts in the Pledged Revenue Account pursuant to *Section 5.4*, all amounts in the Revenue Recycling Account will be applied in the amounts and pursuant to the order of priority in *Section 5.4*.
- (b) On June 15, 2024, all amounts in the Revenue Recycling Account shall be applied as follows:
 - (1) provided that National Insured Bonds are then Outstanding, to the National Insured Bonds Debt Service Reserve Account to bring the balance in such Account to \$10,000,000 if such balance is less than \$10,000,000; and then
 - (2) provided that National Insured Bonds are then Outstanding the remaining balance to the Debt Repayment Account; and then

- (3) as otherwise provided in *Section 5.4(a)(33)-(34)*.

Upon such final application of funds in the Revenue Recycling Account on June 15, 2024, this *Section 5.161* will terminate and have no effect on and after June 15, 2024, and thereafter will be deleted from this Indenture.

- (c) Prior to June 15, 2024, this Section may be amended with the written consent of AGM and National, and without the consent of any holder of Outstanding Bonds; provided that such amendment will not materially prejudice any non-consenting Owner of a Bond for which such Designated Credit Providers are not obligated under a Credit Facility for such Bonds.

Section 5.17. National Insured Bonds Debt Service Reserve Account.

- (a) *First*, if on any Interest Payment Date there are not sufficient amounts on deposit in the Senior Lien Interest Subaccount to pay the total amount of interest coming due on any National Insured Bonds which are Senior Lien Bonds entitled to the benefit and security of a Subaccount of the Senior Lien Debt Service Reserve Account on such Interest Payment Date or if on any Principal Payment Date there are not sufficient amounts on deposit in the Senior Lien Principal Subaccount to pay the total amount of principal coming due on any National Insured Bonds which are Senior Lien Bonds entitled to the benefit and security of a Subaccount of the Senior Lien Debt Service Reserve Account on such Principal Payment Date, and after making the earlier required transfers required to be made from other Accounts as provided in *Section 5.6* (including any required draws on Credit Facilities), the Trustee shall transfer sums on deposit in the National Insured Bonds Debt Service Reserve Account or the Debt Service Reserve Account Credit Facility, as provided in *Section 5.6(a)(8)*, to the Senior Lien Interest Subaccount or Senior Lien Principal Subaccount, as the case may be, in an amount sufficient to make up any such deficiency for any National Insured Bonds which are Senior Lien Bonds entitled to the benefit and security of the National Insured Bonds Debt Service Reserve Account.
- (b) *Second*, if on any Interest Payment Date there are not sufficient amounts on deposit in the Second Lien Interest Subaccount to pay the total amount of interest coming due on any National Insured Bonds which are Second Lien Bonds entitled to the benefit and security of a Subaccount of the Second Lien Debt Service Reserve Account on such Interest Payment Date or if on any Principal Payment Date there are not sufficient amounts on deposit in the Second Lien Principal Subaccount to pay the total amount of principal coming due on any National Insured Bonds which are Second Lien Bonds entitled to the benefit and security of a Subaccount of the Second Lien Debt Service Reserve Account on such Principal Payment Date, and after making the earlier required transfers required to be made from other Accounts as provided in *Section 5.9* (including any required draws on Credit Facilities), the Trustee shall transfer sums on deposit in the National Insured Bonds Debt Service Reserve Account, as provided in *Section 5.9(a)(10)*, to the Second Lien Interest Subaccount or Second Lien Principal Subaccount, as the case may be, in an amount sufficient to make up any such deficiency for any National Insured Bonds which are Second Lien Bonds entitled to the benefit and security of the National Insured Bonds Debt Service Reserve Account.
- (c) *Third*, if on any Interest Payment Date there are not sufficient amounts on deposit in the Junior Lien Interest Subaccount to pay the total amount of interest coming due on any National Insured Bonds which are Junior Lien Bonds entitled to the benefit and security of a Subaccount of the Junior Lien Debt Service Reserve Account on such Interest Payment Date or if on any Principal Payment Date there are not sufficient amounts on

deposit in the Junior Lien Principal Subaccount to pay the total amount of principal coming due on any National Insured Bonds which are Junior Lien Bonds entitled to the benefit and security of a Subaccount of the Junior Lien Debt Service Reserve Account on such Principal Payment Date, and after making the earlier required transfers required to be made from other Accounts as provided in *Section 5.12* (including any required draws on Credit Facilities), the Trustee shall transfer sums on deposit in the National Insured Bonds Debt Service Reserve Account, as provided in *Section 5.12(a)(13)*, to the Junior Lien Interest Subaccount or Junior Lien Principal Subaccount, as the case may be, in an amount sufficient to make up any such deficiency for any National Insured Bonds which are Junior Lien Bonds entitled to the benefit and security of the National Insured Bonds Debt Service Reserve Account.

- (d) *Fourth*, if on any Interest Payment Date there are not sufficient amounts on deposit in the Third Lien Interest Subaccount to pay the total amount of interest coming due on any National Insured Bonds which are Third Lien Bonds entitled to the benefit and security of a Subaccount of the Third Lien Debt Service Reserve Account on such Interest Payment Date or if on any Principal Payment Date there are not sufficient amounts on deposit in the Third Lien Principal Subaccount to pay the total amount of principal coming due on any National Insured Bonds which are Third Lien Bonds entitled to the benefit and security of a Subaccount of the Third Lien Debt Service Reserve Account on such Principal Payment Date, and after making the earlier required transfers required to be made from other Accounts as provided in *Section 7.4* of the Twentieth Supplemental Indenture (including any required draws on Credit Facilities), the Trustee shall transfer sums on deposit in the National Insured Bonds Debt Service Reserve Account, to the Third Lien Interest Subaccount or Third Lien Principal Subaccount, as the case may be, in an amount sufficient to make up any such deficiency for any National Insured Bonds which are Third Lien Bonds entitled to the benefit and security of the National Insured Bonds Debt Service Reserve Account.
- (e) In the event that the amounts on deposit in the National Insured Bonds Debt Service Reserve Account are invested in one or more investment securities, the Trustee shall comply with timely written direction (if any) of National as to any required liquidation, sale or other disposition of any investment in connection with the provisions of this Section.
- (f) If at any time the balance of the National Insured Bonds Debt Service Reserve Account is greater than \$10,000,000, then the Issuer may direct that the amount greater than \$10,000,000 be transferred to the Pledged Revenue Account. Whenever there are no National Insured Bonds or Series 2001A Bonds Outstanding and no Credit Provider Reimbursements with respect thereto remain unpaid, then the Trustee at the written direction of the Issuer shall transfer any amount remaining in the National Insured Bonds Debt Service Reserve Account to the Surplus Account.

Section 5.18. Debt Repayment Account.

Prior to June 15, 2024, the Issuer may, but is not obligated, to apply amounts in the Debt Repayment Account, at its written direction (and election), to either repay, redeem, purchase and retire, economically defease with the approval of National, or defease the following bonds: the Series 2001H Bonds and Series 2004A Bonds.

On June 15, 2024 and thereafter, within twelve months after the balance in the Debt Repayment Account reaches \$5,000,000, amounts in the Debt Repayment Account must be applied at the written direction (and election) of the Issuer to either repay, redeem, purchase and retire, economically defease with the approval of National, or defease the following bonds (in minimum increments from time to time of \$500,000 and until the Debt Repayment Account balance is reduced to \$2,500,000 or a lower level to be mutually acceptable to the Issuer and National, notice of which shall be given to the Trustee): the Series 2001H Bonds, Series 2004A Bonds, or the Series

2001C-2 Note. Payments on the Series 2001C-2 Note may be made as they become due without National approval, but payments can only be made prior to their due date with National approval. No money may be applied from the Debt Repayment Account until it reaches a balance from time to time of \$5,000,000 without the approval of National, except that if less than \$5,000,000 of the obligations that may be repaid from the Debt Repayment Account are outstanding, then the Issuer may direct (at its election) that the amount required to repay, redeem, purchase and retire, economically defease with the approval of National, or defease such outstanding obligations will be so applied.

At National's written direction, amounts in the Debt Repayment Account may be allocated to refill the National Insured Bonds Debt Service Reserve Account, if the National Insured Bonds Debt Service Reserve Account balance is less than \$10,000,000. Whenever (a) the Series 2001H Bonds and the Series 2004A Bonds are paid, or, at the election of the Issuer, redeemed, purchased and retired, economically defeased with the approval of National, or defeased, (b) there are no Credit Provider Reimbursements with respect thereto remaining unpaid and (c) the Series 2001C-2 Note is paid or provided for, then the Trustee at the written direction of the Issuer shall transfer any amount remaining in the Debt Repayment Account to the County Repayment Account unless the Series C-1 Note is then paid or provided for, in which case to the Surplus Account.

Section 5.19. County Repayment Account.

Amounts in the County Repayment Account will be applied to either repay, or, at the election of the Issuer, redeem, purchase and retire, economically defease, or defease the Series 2001C-1 Note, at the direction and discretion of the Issuer while the Series 2001C-1 Note remains Outstanding. When the Series 2001C-1 Note is paid or provided for, amounts in the County Repayment Account will, at the written direction of the Issuer, be transferred to the Debt Repayment Account unless (a) the Series 2001H Bonds and the Series 2004A Bonds are paid, or, at the election of the Issuer, redeemed, purchased and retired, economically defeased with the approval of National, or defeased, (b) there are no Credit Provider Reimbursements with respect thereto remaining unpaid and (c) the Series 2001C-2 Note is paid or provided for, in which case to the Surplus Account.

Section 5.20. Surplus Account.

- (a) The Issuer hereby creates and will cause to be maintained with the Trustee the Surplus Account as part of the Venue Project Fund and administered as a trust fund hereunder. With the consent of each Designated Credit Provider, the Issuer is authorized to enter into one or more Supplemental Indentures hereunder which may provide that prior to deposit of any amounts to the Surplus Account, Revenues or Special Revenues may be deposited to one or more Accounts or Subaccounts hereunder or otherwise to pay the debt service or other related costs on Issuer obligations issued to finance costs of or related to an Approved Venue Project, as required under the terms of such instruments.
- (b) Money held in the Surplus Account may be used at the written direction of the Issuer: (1) for transfers to the Debt Service Accounts and Debt Service Reserve Accounts to maintain the required balances therein if no other funds are available for such purposes, (2) for the payment or redemption of Bonds, Third Lien Bonds, or other obligations of the Issuer, (3) for transfers to the Construction Account or Subaccount thereof to pay Costs of an Approved Venue Project, and (4) for any other purpose relating to any other powers or functions of the Issuer now or hereafter authorized by law. The Trustee shall not be responsible to account for the Surplus Account to the extent that any monies credited thereto are not held by the Trustee.

* * *

Section 5.23. General and Administrative Account.

The Issuer hereby creates as part of the Venue Project Fund the General and Administrative Account to be held by the Trustee and administered as a trust fund hereunder.

Section 5.24. Deposits to General and Administrative Account.

At the written direction of the Issuer given not more often than monthly, the Trustee shall pay to the Issuer any amounts in the General and Administrative Account not to exceed the Annual Budgeted General and Administrative Amount for such Bond Year, and shall pay to the Issuer any amount in the General and Administrative Account at the end of each Bond Year.

Section 5.25. Application of General and Administrative Account.

Amounts in the General and Administrative Account will be applied by the Trustee monthly, at the written direction of the Issuer, to pay to the Issuer any amounts therein until the Annual Budgeted General and Administrative Amount has been paid.

Section 5.26. Second Lien Debt Service Revenue Holding Account.

The Issuer hereby creates as part of the Venue Project Fund the Second Lien Debt Service Revenue Holding Account to be held by the Trustee and administered as a trust fund hereunder.

Section 5.27. Deposits to Second Lien Debt Service Revenue Holding Account.

The Trustee shall make the deposits to the Second Lien Debt Service Revenue Holding Account required by *Section 5.4*. The Trustee shall additionally deposit to the Second Lien Debt Service Revenue Holding Account any amounts directed to be deposited thereto by any Supplemental Indenture.

Section 5.28. Application of Second Lien Debt Service Revenue Holding Account.

Amounts in the Second Lien Debt Service Revenue Holding Account will be applied as follows, and in the following order to the extent that amounts are required to be applied on the same date:

- (a) *first*, on the monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, to deposit to each Senior Lien Debt Service Subaccount an amount equal to any deficiency in the balance held in such Senior Lien Debt Service Subaccount for the payments of principal of and interest on the related Senior Lien Bonds due on the next May 15 or November 15, with amounts being paid first to interest and then to principal;
- (b) *second*, on the monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, to deposit to each Second Lien Debt Service Subaccount an amount equal to any deficiency in the balance held in such Second Lien Debt Service Subaccount for the payments of principal of and interest on the related Second Lien Bonds due on the next May 15 or November 15, with amounts being paid first to interest and then to principal;
- (c) *third*, on the monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, to deposit any required deposit under *Section 5.4(a)(14)* to the Second Lien Debt Service Reserve Account; and then
- (d) *fourth*, on the monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, any balance to the Junior Lien Debt Service Revenue Holding Account; and then
- (e) *fifth*, from time to time, as provided in *Section 5.2(f)*, upon deposit of Astros Payments with respect to Taxable Second Lien Bonds, then to the Pledged Revenue Account.

Section 5.29. Junior Lien Debt Service Revenue Holding Account.

The Issuer hereby creates as part of the Venue Project Fund the Junior Lien Debt Service Revenue Holding Account to be held by the Trustee and administered as a trust fund hereunder.

Section 5.30. Deposits to Junior Lien Debt Service Revenue Holding Account.

The Trustee shall make the deposits to the Junior Lien Debt Service Revenue Holding Account required by **Section 5.4**. The Trustee shall additionally deposit to the Junior Lien Debt Service Revenue Holding Account any amounts directed to be deposited thereto by any Supplemental Indenture.

Section 5.31 Application of Junior Lien Debt Service Revenue Holding Account.

Amounts in the Junior Lien Debt Service Revenue Holding Account will be applied as follows, and in the following order to the extent that amounts are required to be applied on the same date:

- (a) *first*, on the monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, to deposit to each Senior Lien Debt Service Subaccount an amount equal to any deficiency in the balance held in such Senior Lien Debt Service Subaccount for the payments of principal of and interest on the related Senior Lien Bonds due on the next May 15 or November 15, with amounts being paid first to interest and then to principal; and then
- (b) *second*, on the monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, to deposit to each Second Lien Debt Service Subaccount an amount equal to any deficiency in the balance held in such Second Lien Debt Service Subaccount for the payments of principal of and interest on the related Second Lien Bonds due on the next May 15 or November 15, with amounts being paid first to interest and then to principal; and then
- (c) *third*, on the monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, to deposit to each Junior Lien Debt Service Subaccount an amount equal to any deficiency in the balance held in such Junior Lien Debt Service Subaccount for the payments of principal of and interest on the related Junior Lien Bonds due on the next May 15 or November 15, with amounts being paid first to interest and then to principal; and then
- (d) *fourth*, on the monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, to deposit any required deposit under **Section 5.4(a)(23)** to the Junior Lien Debt Service Reserve Account; and then
- (e) *fifth*, on the monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, any balance to the Pledged Revenue Account; and then
- (f) *sixth*, from time to time, to the extent provided in **Section 5.2(f)**, upon deposit of Astros Payments with respect to Taxable Junior Lien Bonds, then to the Pledged Revenue Account.

Section 5.32. Application of the Additional Required Reserve Account.

The Additional Required Reserve Account is dissolved, and amounts in the Additional Required Reserve Account are to be applied as follows:

- (a) \$1,492,478.00, representing amounts deposited in connection with the Series 2001E Bonds will be transferred to the trustee under the Indenture of Trust, dated as of December 1, 2014, between the Issuer and such trustee relating to the Harris County-

Houston Sports Authority Taxable Revenue Refunding Bonds (NRG Stadium Project) Series 2014, as further directed by the Issuer.

- (b) \$13,442,035.34 will be applied by the Trustee the purchase Credit Facilities for the Series 2001A Bonds, and to fund the Debt Service Reserve Account for the Series 2001 G Bonds, and together with proceeds of the Series 2014A Bonds to purchase Credit Facilities for the Series 2014A Bonds.
- (c) \$4,743,500 to fund the Debt Service Reserve Account for the Series 2014B Bonds.
- (d) \$6,122,250 to fund the Debt Service Reserve Account for the Series 2014C Bonds.

* * *

ARTICLE SEVEN COVENANTS TO MAINTAIN STATUS OF TAX EXEMPT BONDS

Section 7.1. Covenants in Supplemental Indentures.

In connection with the issuance of each Series of Bonds which are Tax-Exempt Bonds, the Issuer shall make such covenants in each Supplemental Indenture as are necessary to preserve the tax exempt status of interest on such Series.

ARTICLE EIGHT INVESTMENTS

Section 8.1. Investments by Trustees.

- (a) Except during the continuance of an Event of Default, and subject to the provisions of any Supplemental Indenture entered into under *Section 7.1*, moneys held for the credit of the Accounts and Subaccounts established by *Article Five* held by the Trustee shall at the written request, or verbal request confirmed in writing, of the Issuer Representative or by another designee of the Issuer as evidenced by a certificate of the Issuer Representative, invested in such securities as are authorized by law and which are Permitted Investments, or, in the absence of directions from the Issuer, be invested in Permitted Money Market Funds. The Trustee may conclusively rely upon investment direction of the Issuer Representative or other designee of the Issuer as to the suitability and legality of the directed investment, and may presume that any investment in which it is directed to invest by or on behalf of the Issuer is a Permitted Investment.. Subject to the requirement that all sums held in Accounts hereunder may only be invested in Permitted Investments, the type, amount and maturity of such investments shall be as specified by the Issuer Representative or by such other representative of the Issuer; provided that sums in a Debt Service Account may in any event only be invested in securities which mature or are subject to redemption or repurchase at the option of the Trustee on or prior to the date or dates on which the Trustee anticipates that cash funds will be required, and provided that no Permitted Investment may mature more than five years from the date the investment is made without the approval of each Designated Credit Provider except for an guaranteed investment contract or similar Permitted Investment approved by each Designated Credit Provider, which approval shall not be unreasonably withheld.
- (b) The Trustee shall sell and reduce to cash funds a sufficient portion of investments under the provisions of this Section whenever the cash balance in the Account for which the investment was made is insufficient for its current requirements. Securities so purchased as an investment of money shall be held by the Trustee, shall be registered in the name of the Trustee if registration is required, and shall be deemed at all times a part of the

applicable Account, and the interest accruing thereon and any profit realized from such investments shall be credited to the Account from which the investment was made, subject to any transfer to another Account as herein provided. Any loss resulting from such investment shall be charged to the Account from which the investment was made.

- (c) The Trustee may purchase from or sell to itself, or through any affiliated company, as principal or agent, securities herein authorized so long as such purchase or sale is at fair market value. The Trustee may act as principal or agent in the making or disposing of any investments, and may act as sponsor, advisor or manager in connection with any such investments. The provisions of this subsection shall apply to affiliates of the Trustee.
- (d) Investment of the proceeds of Tax-Exempt Bonds are further subject to the limitations and conditions stated in *Article Seven*.
- (e) With the approval of each Designated Credit Provider, which approval shall not be unreasonably withheld, the Issuer or the Issuer and the Trustee may from time to time enter into separate contracts with third parties for purchase and sale of Permitted Investments, including contracts which provide for the payment of the Issuer's determination of the future value of investment proceeds from Eligible Investments in exchange for the future rights to such proceeds.
- (f) Proceeds derived from draws on municipal bond insurance policies issued as Credit Facilities for the Series 2001A Bonds shall be held by the Trustee uninvested.
- (g) The Trustee shall not be any liable for the value or loss associated with any investment directed by the Issuer.
- (h) The Trustee shall not be responsible for compliance with any arbitrage restrictions associated with investments directed by the Issuer.

Section 8.2. Computation of Balances in Account.

- (a) In computing the amount in any Account established hereunder, other than in a Debt Service Reserve Account, investments and accrued but unpaid interest thereon shall be deemed a part thereof, and such investments shall be valued at market on a monthly basis, or at the redemption price thereof, if then redeemable at the option of the holder; except in such cases and to the extent that a different valuation is required by the Treasury Regulations, to which the Trustee may rely on the written direction of the Issuer or Bond Counsel.
- (b) In computing the amount in a Debt Service Reserve Account for purposes of determining whether the applicable Debt Service Reserve Requirement has been satisfied, obligations purchased as an investment of moneys therein shall be valued at market on a monthly basis. If on any date the amount on deposit in a Subaccount of a Debt Service Reserve Account shall exceed 100% of the Debt Service Reserve Requirement for the Series of Bonds with respect to which such Subaccount was created, then at the written direction of the Issuer evidenced by a certificate of the Issuer Representative, the Trustee shall transfer funds from the Debt Service Reserve Account to the Special Revenue Account (but only if such Debt Service Reserve Account is held with respect to a Series of Taxable Bonds) and otherwise to the Pledged Revenue Account in an amount which does not cause the value of such Subaccount of a Debt Service Reserve Account to be less than the applicable Debt Service Reserve Requirement.

**ARTICLE NINE
DISCHARGE OF LIEN**

Section 9.1. Payment of Bonds; Satisfaction and Discharge of Bonds and Obligation to Bondowners.

Whenever the conditions specified in either *clause (1)* or *clause (2)* of the following **Section 9.1(a)** and the conditions specified in the following *subsections (b), (c), (d), and (e)* of this **Section 9.1**, to the extent applicable, shall exist, namely:

(a) either

(1) all Bonds have been cancelled by the Trustee or delivered to the Trustee for cancellation, excluding, however,

(A) Bonds for whose payment money has theretofore been deposited in trust or segregated and held in trust by a trust company or bank in the State having the power of a trust company and possessing capital and surplus of not less than \$50,000,000, and

(B) Bonds alleged to have been destroyed, lost or stolen which have been replaced or paid as provided in **Section 2.7**, and (i) which, prior to the satisfaction and discharge of this Indenture as hereinafter provided, have not been presented to the Paying Agent or the Trustee with a claim of ownership and enforceability by the Owner thereof, or (ii) whose enforceability by the Owner thereof has been determined adversely to the Owner by a court of competent jurisdiction or other competent tribunal; or

(2) the Issuer has deposited or caused to be deposited as trust funds:

(A) with the Paying Agent under **Section 5.22** cash which shall be sufficient, or

(B) with the Trustee cash and/or Defeasance Securities, which do not permit the redemption thereof at the option of the issuer thereof, the principal of, premium, if any, and interest on which when due (or upon the redemption thereof at the option of the holder), will, without reinvestment, provide cash which together with the cash, if any, deposited with the Trustee at the same time, shall be sufficient to pay and discharge the entire indebtedness on Bonds not theretofore cancelled by the Trustee or delivered to the Trustee for cancellation by the payment of interest on and principal (and premium, if any) of the Bonds which have become due and payable or which shall become due at their stated maturity or redemption date, as the case may be, and which are to be discharged under the provisions hereof, and the Issuer has made arrangements satisfactory to the Trustee for the giving of notice of redemption, if any, by the Trustee in the name, and at the expense, of the Issuer in the same manner as is provided by **Section 2.2**; and

(b) the Issuer has paid, caused to be paid or made arrangements satisfactory to the Trustee and, if applicable, each Credit Provider for the payment of all other sums payable hereunder and under any Credit Facility, Credit Agreement and other Related Documents by the Trustee or the Issuer; and

- (c) the Issuer has delivered to the Trustee, with a copy to any Credit Provider for the Bonds to be defeased, a report of an Independent Accountant stating that the cash and payments to be made on the Defeasance Securities referred to in clause (2) of subsection (a) above will be sufficient to pay when due the principal of premium, if any, and interest on the Bonds to be defeased; and
- (d) if discharge is to be effected under clause (2) of subsection (a), an opinion of Bond Counsel is delivered to the Trustee, with a copy to any Credit Provider for the Bonds to be defeased, stating in effect that such discharge will not impair the tax exempt status of the then Outstanding Tax-Exempt Bonds; and
- (e) if full discharge and satisfaction of this Indenture is to be effected under clause (2) of Subsection (a), an opinion of Independent Counsel selected by the Issuer delivered to the Trustee, with a copy to any Credit Provider for the Bonds to be defeased, to the effect that all conditions precedent to the satisfaction and discharge of this Indenture have been complied with;

then, the rights of the Owners of such Bonds shall be limited to the cash or cash and securities deposited as provided in clause (1) or (2) above, and the rights and interest hereby granted or granted by this Indenture and any related Supplemental Indenture, to or for the benefit of the Trustee or Bondowners shall cease, terminate and become null and void, and the Issuer and the Trustee shall, at the expense of the Issuer, execute and deliver such instruments of satisfaction and transfer as may be necessary, and forthwith the estate, right, title and interest of the Trustee in and to all rights under this Indenture and any Supplemental Indenture (except the moneys or securities or both deposited as required above) shall thereupon be discharged and satisfied.

The satisfaction and discharge of this Indenture shall be without prejudice to the rights of the Trustee to charge and be reimbursed by the Issuer for any expenses and expenditures which it may thereafter incur or make in connection herewith.

* * *

Section 9.3. Payment of Bonds.

Any Series of Bonds or a portion of any Series of Bonds shall be deemed paid, if the applicable conditions set forth in this *Article Nine* and securities are deposited in trust, of *Section 9.1(b), (c), and (d)*, have been satisfied even though other Bonds may remain Outstanding and, if notice as provided in *Section 9.6* hereof shall have been given, such portion of Bonds or such Series of Bonds shall cease to be entitled to any lien, benefit or security under the Indenture. However, the liability of the Issuer in respect of such portion of the Bonds or such Series of Bonds, as the case may be, shall continue, but the holders thereof shall thereafter be entitled to payment (to the exclusion of all other Bondowners) only out of the moneys or Defeasance Securities deposited with the Trustee as aforesaid.

* * *

Section 9.5. Liability of Issuer Not Discharged.

Upon the deposit with the Trustee, in trust, at or before maturity, of money or Defeasance Securities in the necessary amount to pay or redeem all Outstanding Bonds (whether upon or prior to maturity or the redemption date of such Bonds) and compliance with the other payment requirements of the Indenture may be discharged in accordance with the provisions hereof, and the owners thereof shall thereafter be entitled to payment only out of the moneys or Defeasance Securities deposited with the Trustee as aforesaid, provided that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in *Article Two* herein provided, or provisions satisfactory to the Trustee shall have been made for the giving of such notice.

Section 9.6. Notice of Provision for Payment of Bonds.

- (a) In the event that less than all of the Bonds of a particular Series are deemed paid as provided by *Section 9.3*, the Trustee, at the written direction of the Issuer and in the manner provided in *Article Two*, shall determine by Bond number or similar designation or identification characteristic the specific Bonds of such Series, and each maturity within such Series, that are secured by the trust funds described in *Section 9.1(a)(2)*, and the Trustee shall promptly give notice of such determination in a manner similar to the notice of redemption required by *Article Two*.
- (b) In addition, the Trustee shall give written notice to the Owner of each Bond with respect to which a deposit has been made pursuant to the provisions of *Section 9.1* or *9.3*, which notice shall provide that (a) money and/or Defeasance Securities have been deposited with the Trustee, (b) such money and Defeasance Securities (and investment earnings thereon, if applicable) are required to be applied to the payment of such Bonds on the maturity date or earlier redemption date stated therein and (c) such Bonds are no longer Outstanding hereunder and have no rights under the Indenture except for the right to payment from the money and Defeasance Securities held for such purpose, such notice.

* * *

**ARTICLE ELEVEN
THE TRUSTEE**

Section 11.1. Acceptance of the Trustee.

The Trustee, prior to the occurrence of an Event of Default, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture; and no implied covenants or obligations should be read into this Indenture against the Trustee. The duties of the Trustee shall be mechanical and administrative in nature; the Trustee shall not have by reason of this Indenture any fiduciary duty under any Credit Agreement or Related Document; and nothing in this Indenture or any Supplemental Indenture is intended to or shall be construed as to impose upon the Trustee any obligations except as expressly set forth herein or therein. In case an Event of Default has occurred, the Trustee agrees to exercise the rights and powers vested in it as a prudent person would exercise or use under the circumstances in the conducting of such person's own affairs in exercising any rights or remedies or performing any of its duties hereunder. The Trustee accepts its duties hereunder only upon and subject to the following express terms and conditions:

* * *

- (11) Before taking any action hereunder, the Trustee may require that it be furnished an indemnity bond or indemnification otherwise satisfactory to it for the reimbursement of all expenses to which it may be put and to protect it against all liability except liability which is adjudicated to have resulted from the negligence or willful misconduct of the Trustee, by reason of any action so taken by the Trustee, provided that no right of the Trustee to indemnification shall relieve the Trustee from responsibility for (a) making payments on the Bonds when due from money available to it, (b) drawing on a Liquidity Facility in accordance with the terms of such Liquidity Facility, or (c) making any claim under any other Credit Facility in accordance with its terms.
- (12) The Trustee is not responsible to the Issuer or to any Bondowner for any recitals, statements, information, representations or warranties herein or in any document, certificate or other writing (including any official statement, prospectus, placement memorandum or similar disclosure document) delivered in connection herewith or for the execution, effectiveness, validity, enforceability, perfection, collectability, priority or sufficiency of this Indenture, any Credit Facility or any Credit

Agreement, or for the sufficiency of Available Revenues to meet Debt Service Requirements or the financial condition of any party.

(13) The Trustee shall not be required to expend or risk its own funds or to otherwise incur any financial liability in the performance of its duties hereunder.

(14) In the event that the Trustee purchases or otherwise acquires any Bonds or any interest therein in its individual corporate capacity, the Trustee shall have the same rights and powers as any other Bondowner. The Trustee may accept deposits from, lend money to, and generally engage in any kind of banking, trust or other business with the Issuer, any Credit Provider or Bondowner as if it were not performing the duties specified herein.

Section 11.2. Trustee's Fees, Charges and Expenses.

The Trustee and any Paying Agent and Bond Registrar shall be entitled to payment and/or reimbursement for reasonable fees (including default administration fees) for ordinary services rendered hereunder and as shall be provided in any Supplemental Indenture and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in and about the execution of the trusts created by this Indenture and in and about the exercise and performance of the powers and duties of the Trustee hereunder and for the reasonable and necessary costs and expenses incurred in defending any liability in the premises of any character whatsoever (unless such liability is adjudicated to have resulted from the negligence or willful misconduct of the Trustee). Should it become necessary that the Trustee perform extraordinary services, it shall be entitled to reasonable extra compensation in respect thereof and to reimbursement for reasonable extraordinary costs and expenses in connection therewith. Upon written request by the Issuer, the Trustee will provide to the Issuer statements (excluding any privileged and confidential information) for any fees to which the Trustee is entitled. The Trustee shall have a first lien with right of payment prior to payment on account of interest on or principal or premium, if any, of any Bond and upon the money received by it hereunder, for said fees, advances, counsel fees, costs and expenses incurred by it. The Trustee and the Issuer may from time to time agree in writing upon the fees, costs and expenses to be paid to the Trustee and each such writing shall be enforceable by either party.

Section 11.3. Notice to Owners of Default.

If an Event of Default occurs of which the Trustee is required to take notice as set forth in this Section or if notice of an Event of Default is provided to the Trustee as provided in this Section, the Trustee shall, within 90 days, give to the Bondowners and to the Original Purchaser of each Series of Outstanding Bonds written notice of all such Events of Default. The Trustee shall not be deemed to have notice of any Event of Default hereunder or be required to take notice of any Event of Default hereunder unless and until a corporate officer of the Trustee who is assigned to and responsible for the account established hereby shall have actual knowledge of such Event of Default or shall have received written notice thereof from the Issuer or any Bondowner.

Section 11.4. Intervention by Trustee.

In any judicial proceeding to which the Issuer or any Bondowner is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of Owners of Bonds, the Trustee may intervene on behalf of Owners and shall do so if requested in writing by the Owners of a majority in the aggregate principal amount of Outstanding Bonds. The rights and obligations of the Trustee under this Section are subject to the approval of a court of competent jurisdiction in the premises.

Section 11.5. Successor Trustee.

Any corporation, association or agency into which the Trustee may be converted or merged, or with which it may be consolidate, or to which it may sell or transfer its trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor trustee and paying agent

under this Indenture and vested with all of the title to the Trust Estate, and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 11.6. Resignation by Trustee.

The Trustee and any successor trustee may at any time resign from the trusts hereby created by giving written notice to the Issuer and by first class mail to each Owner of Bonds as shown on the Bond Register. Such notice to the Issuer may be served personally or sent by registered mail. The Trustee shall not be relieved of its duties hereunder unless and until a successor trustee has been appointed pursuant to **Section 11.8**, which successor has agreed in writing to perform the duties of the Trustee and Bond Registrar hereunder.

Section 11.7. Removal of Trustee.

The Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Trustee and to the Issuer, and signed by the Owners of a majority in aggregate principal amount of then Outstanding Bonds or by a resolution of the Governing Body delivered to the Trustee, provided that a successor trustee has been appointed pursuant to **Section 11.8**, which successor has agreed in writing to perform the duties of the Trustee and Bond Registrar hereunder.

Section 11.8. Appointment of Successor Trustee.

In case the Trustee hereunder shall resign or be removed, or be dissolved or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Governing Body of the Issuer or, if the Issuer fails to appoint a successor within 90 days of the occurrence of any of the foregoing events, by the Owners of a majority in aggregate principal amount of the then Outstanding Bonds, by an instrument or concurrent instruments in writing signed by such Owners, or by their attorney-in-fact, duly authorized. Nevertheless, in case of such vacancy the Issuer by resolution of its Governing Body may appoint a temporary trustee to fill such vacancy until a successor trustee shall be appointed by the Issuer or the Owners in the name above provided; and any such temporary trustee so appointed by the Issuer shall immediately and without further act be superseded by the Trustee so appointed by such Owners. Every such Trustee appointed pursuant to the provisions of this Section shall be a trust company or bank having trust powers and having a reported capital and surplus not less than \$25,000,000, if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms. Every such Trustee appointed pursuant to the provisions of this Section shall be approved in writing by each Designated Credit Provider.

In case at any time the Trustee shall resign and no appointment of a successor Trustee shall be made within 60 days following such resignation, the retiring Trustee, at the expense of the Issuer, may forthwith apply to a court of competent jurisdiction for the appointment of a successor Trustee. Such court may thereupon, after such notice, if any, as it may deem proper, appoint a successor Trustee.

Section 11.9. Acceptance by Successor Trustees.

Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the Issuer, an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors as Trustee, Paying Agent and Bond Registrar and the duties and obligations of such predecessors hereunder shall thereafter cease and terminate; but such predecessor shall, nevertheless, on the written request of the Issuer, or of its successor Trustee, and on the payment of the fees and expenses owed to the predecessor Trustee, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, rights, powers and trusts of such predecessor hereunder, and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in

such successor the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor trustee, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article, shall be forthwith filed or recorded or both by the successor Trustee in each recording office where the Indenture shall have been filed or recorded or both.

Section 11.10. Trustee Protected in Relying Upon Resolutions.

The resolutions, orders, requisitions, opinions, certificates and other instruments provided for in this Indenture may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee.

Section 11.11. Successor Trustee as Custodian of Debt Service Accounts and Paying Agent.

In event of a change in the office of Trustee the predecessor trustee which has resigned or been removed shall cease to be custodian of the Accounts and Subaccounts prescribed in *Article Five* and shall cease to act as the Paying Agent for principal and interest on the Bonds, and the successor Trustee shall be and become such custodian and Paying Agent.

Section 11.12. Co-Trustee.

At any time or times, for any purpose (including the purpose of meeting any legal requirements of any jurisdiction in which any part of the Trust Estate may at the time be located), the Issuer and the Trustee shall have the power to appoint, and, upon the request of the Trustee or of the Owners of a majority in aggregate principal amount of the then Outstanding Bonds, the Issuer shall for such purpose join with the Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to appoint one or more persons approved by the Trustee either to act as co-trustee or co-trustees, jointly with the Trustee, of all or any part of the Trust Estate, or to act as separate trustee or separate trustees of all or any part of the Trust Estate, and to vest in such person or persons, in such capacity, such right to the Trust Estate or any part thereof, and such rights, powers, duties, trusts or obligations as the Issuer and the Trustee may consider necessary or desirable subject to the remaining provisions of this Section.

If the Issuer shall not have joined in such appointment within 15 days after the receipt by it of a request so to do, or in case an Event of Default shall have occurred and be continuing, the Trustee alone shall have power to make such appointment.

The Issuer shall execute, acknowledge and deliver all such instruments as may be required by any such co-trustee or separate trustee for more fully confirming such title, rights, powers, trusts, duties and obligations to such co-trustee or separate trustee.

Every co-trustee or separate trustee shall, to the extent permitted by law but to such extent only, be appointed subject to the following terms, namely:

- (1) The Bonds shall be authenticated and delivered, and all rights, powers, trusts, duties and obligations by this Indenture conferred upon the Trustee in respect of the custody, control or management of moneys, papers, securities and other personal property shall be exercised solely by the Trustee.
- (2) All rights, powers, trusts, duties and obligations conferred or imposed upon the trustees shall be conferred or imposed upon and exercised or performed by the Trustee, or by the Trustee and such co-trustee or co-trustees or separate trustee or separate trustees, except to the extent that, under the law of any jurisdiction in which any particular act or acts are to be performed, the Trustee shall be incompetent or unqualified

to perform such act or acts, in which event such act or acts shall be performed by such co-trustee or co-trustees or separate trustee or separate trustees.

- (3) Any request in writing by the Trustee to any co-trustee or separate trustee to take or to refrain from taking any action hereunder shall be sufficient warrant for the taking, or the refraining from taking of such action by such co-trustee or separate trustee.
- (4) Any co-trustee or separate trustee may delegate to the Trustee the exercise of any right, power, trust, duty or obligation, discretionary or otherwise.
- (5) The Trustee at any time, by an instrument in writing, with the concurrence of the Issuer, may accept the resignation of or remove any co-trustee or separate trustee appointed under this Section, and, in case of a continuing Event of Default, the Trustee shall have power to accept the resignation of, or remove, any such co-trustee or separate trustee without the concurrence of the Issuer. Upon the request of the Trustee, the Issuer shall join with the Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to effectuate such resignation or removal. A successor to any co-trustee or separate trustee so resigned or removed may be appointed in the manner provided in this Section.
- (6) No trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder.
- (7) Any demand, request, direction, appointment, removal, notice, consent, waiver or other action in writing delivered to the Trustee shall be deemed to have been delivered to each co-trustee or separate trustee.
- (8) Any moneys, papers, securities or other items of personal property received by any such co-trustee or separate trustee hereunder shall forthwith, so far as may be permitted by law, be turned over to the Trustee.

Upon the acceptance in writing of such appointment by any such co-trustee or separate trustee, it or he shall be vested with such interest in and to the Trust Estate or any part thereof, and with such rights, powers, duties or obligations, as shall be specified in the instrument of appointment jointly with the Trustee (except insofar as local law makes it necessary for any such acceptance), shall be filed with the Trustee. Any co-trustee or separate trustee may, at any time by an instrument in writing, constitute the Trustee its or his attorney-in-fact and agent, with full power and authority to do all acts and things and to exercise all discretion on its or his behalf and in its or his name.

In case any co-trustee or separate trustee shall die, become incapable of acting, resign or be removed, the title to the Trust Estate and all rights, powers, trusts, duties and obligations of said co-trustee or separate trustee shall, so far as permitted by law, vest in and be exercised by the Trustee unless and until a successor co-trustee or separate trustee shall be appointed in the manner herein provided.

Section 11.13. Obligation of Trustee as to Reporting.

The Trustee shall, at the written request and expense of the Issuer, cause to be filed any reports lawfully required by any public agency to be filed under any applicable securities laws and any other reports lawfully required by any public agency to be filed under the Enabling Act or any other applicable state law. For this purpose the Trustee is entitled to require the Issuer to cause to be furnished to the Trustee whatever information is necessary to comply with such reporting requirements at the Issuer's sole expense and to reimburse the Trustee for the fees and costs of any such filing. In addition to the foregoing and upon request of the Trustee, the Issuer shall cause the Computation Agent to compute the amount of interest income, original issue discount, back-up withholding and similar items associated with any Deferred Interest Bonds and Capital Appreciation Bonds to the

extent such items are required to be reported or withheld by the Trustee pursuant to the Code. The Trustee shall be entitled to employ agents and professionals for any such reports hereunder and shall be entitled to reimbursements for the fees and expenses thereof.

Section 11.14. Successor Paying Agent.

The provisions of this Indenture with respect to removal, resignation and appointment of a successor Trustee shall be equally applicable to resignation, removal and appointment of a successor to the Paying Agent. The Trustee shall be eligible for appointment as successor to the Paying Agent.

* * *

ARTICLE TWELVE
SUPPLEMENTAL INDENTURES

Section 12.1. Supplemental Indentures Not Requiring Consent of Bondowners.

The Issuer and the Trustee may, from time to time and at any time, without the consent of, or notice to, any of the Owners, and when so required by the Indenture shall, enter into an indenture or indentures supplemental to this Indenture or any Supplemental Indenture and may supplement any Supplemental Indenture as shall not be inconsistent with the limitations of *Section 12.2* (which Supplemental Indenture or Indentures shall thereafter form a part hereof), so as to thereby:

- (a) provide for the issuance of Bonds, Additional Bonds, or Third Lien Bonds as permitted by *Article Six*.
- (b) make such changes herein as may be necessary to obtain the award of an investment grade rating for all or any Series of Bonds by a Rating Agency,
- (c) cure any ambiguity or formal defect or omission in this Indenture or in any Supplemental Indenture,
- (d) grant to or confer upon the Trustee for the benefit of the Owners any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Owners or the Trustee,
- (e) more precisely identify the Trust Estate, or any other property which may become a part of the Trust Estate,
- (f) subject to the lien and pledge of this Indenture additional revenues, properties or collateral,
- (g) evidence the appointment of a separate Trustee or a co-Trustee or the succession of a new Trustee, Bond Registrar, and/or Paying Agent hereunder,
- (h) modify, eliminate and/or add to the provisions of this Indenture to such extent as shall be necessary to prevent any interest on Tax-Exempt Bonds from becoming taxable under the Code, or, upon receipt of an opinion of Bond Counsel to the effect that such amendment shall not adversely affect the excludability of interest on the Bonds from the gross income of the owners thereof for federal income tax purposes, to relieve the Issuer of any covenant relating to any or all Series of Tax-Exempt Bonds,
- (i) effect the qualification of this Indenture under the Trust Indenture Act of 1939, as then amended, or under any similar federal statute hereafter enacted, and to add to this Indenture such other provisions as may be expressly permitted by said Trust Indenture

Act of 1939, excluding however the provisions referred to in section 316(a)(2) of said Trust Indenture Act of 1939,

- (j) make such prospective amendments as shall only affect the Bonds issued thereby and any future Series of Bonds issued thereafter, and which shall not adversely affect any Series of Outstanding Bonds, or
- (k) with the consent of each Credit Provider for affected Bonds, make any other change which in the judgment of the Issuer and Trustee (which judgment may be based on the advice or opinion of Independent Counsel) is necessary or desirable and will not materially prejudice any non-consenting Owner of a Bond.

Section 12.2. Supplemental Indentures Requiring Consent of Owners.

Exclusive of Supplemental Indentures permitted by *Section 12.1* and subject to the terms and provisions contained in this Section, and not otherwise, the Trustee, upon receipt of an instrument evidencing the consent to the below-mentioned Supplemental Indenture by the Owners of a majority in the aggregate principal amount of the then Outstanding Bonds of a Series affected by a modification, alteration, amendment, addition, or rescission, shall join with the Issuer in the execution of such other indenture or indentures supplemental hereto as shall be deemed necessary and desirable for the purpose of modifying, altering, amending, adding or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any Supplemental Indenture; provided, however, that nothing herein contained shall permit or be construed as permitting (1) an extension of the maturity of the principal or of the interest on any Bond issued hereunder, or (2) a reduction in the principal amount of any Bond or the rate of interest thereon, or (3) a privilege or priority of any Bond or Bonds over any other Bond or Bonds except as may be otherwise expressly provided herein, or (4) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Indenture, or (5) modifying any of the provisions of this Section without the consent of the Owners of 100% of the principal amount (Accreted Value for Capital Appreciation Bonds) of all Bonds adversely affected thereby ("**100% Bondowners' Consent**").

If at any time the Issuer shall request the Trustee to enter into any Supplemental Indenture for any of the purposes of this Section which does not require 100% Bondowners' Consent, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such Supplemental Indenture to be mailed by first class mail, postage prepaid, to the Owners of the Series of Bonds affected thereby at the addresses shown on the Bond Register. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the principal office of the Trustee for inspection by all Bondowners. The Trustee shall not, however, be subject to any liability to any Bondowner by reason of its failure to mail such notice to any particular Bondowner if notice was generally mailed to Bondowners, and any such failure shall not affect the validity of such Supplemental Indenture when consented to and approved as provided in this Section. If the Owners of a majority in aggregate principal amount of the then Outstanding Bonds of the affected Series at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof as herein provided, no Owner of any Bond of such Series shall have any right to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture as in this Section permitted and provided, this Indenture shall be and is deemed to be modified and amended in accordance herewith. In this regard, the Trustee shall cause notice of the proposed execution and delivery of any such Supplemental Indenture, together with a copy of the proposed Supplemental Indenture, to be delivered to the Issuer at least 15 days prior to the proposed date of execution and delivery of any such Supplemental Indenture. The Issuer shall be deemed to have consented to the execution and delivery of any such Supplemental Indenture if the Trustee does not receive a letter of protest or objection thereto, signed by an Issuer Representative, or before 4:30 P.M., Central Standard or Central Daylight time, whichever is then in effect, of the fifteenth day after the mailing of said notice and a copy of the proposed Supplemental Indenture to the Issuer unless such fifteenth day is not a Business Day, in which event the letter of objection must be received on the next succeeding Business Day.

Notwithstanding anything in this Section, if any modification, alteration, amendment, addition, or rescission of this Indenture or any Supplemental Indenture affecting any Series of Bonds requires the approval of the

Owners of a majority in the aggregate principal amount of the then Outstanding Bonds of a Series affected by such modification, alteration, amendment, addition, or rescission, provided that the Credit Provider which is obligated under a Credit Facility (but not a Liquidity Facility) for such Series and such Credit Provider is not otherwise in default in its obligations under its Credit Agreement, such Credit Provider shall have the right to approve such modification, alteration, amendment, addition, or rescission as if such Credit Provider were the Owners of a majority in the aggregate principal amount of the then Outstanding Bonds of such affected Series.

* * *

ARTICLE THIRTEEN AMENDMENTS TO RELATED DOCUMENTS

Section 13.1. Amendments Not Requiring Bondowner Consent.

The Issuer and/or the Trustee may, without the consent of or notice to the Bondowners, consent to any amendment, change or modification of the Credit Facility, Credit Agreement or any of the Related Documents:

- (1) which may be required or permitted without Bondowner consent by the provisions of the Indenture;
- (2) for the purpose of curing any ambiguity or formal defect or omission;
- (3) to reconcile any Credit Facility, Credit Agreement or a Related Document with any amendment or supplement to the Indenture including any Supplemental Indenture permitted by *Sections 12.1 and 12.2*; or
- (4) to effect any other change in a Credit Facility, Credit Agreement or a Related Document which, in the judgment of the Issuer and Trustee, will not materially prejudice any non-consenting Owner of a Bond (which judgment may be based on the advice or opinion of Independent Counsel).

Section 13.2. Amendments Requiring Bondowner Consent.

Except for (1) amendments, changes or modifications as provided in *Section 13.1*, and (2) amendments, changes or modifications permitted by the Credit Facility, Credit Agreement or any Related Document, neither the Issuer nor the Trustee shall consent to any other amendment, change or modification of any Related Document, without the giving of notice and the written approval or consent of the Owners of not less than a majority in aggregate principal amount of the then Outstanding Bonds of a Series affected by such amendment, change, or modification given and procured as provided in this Section; provided that in no event shall such amendment, change or modification relieve the Issuer of the obligation under the Credit Facility, Credit Agreement or any Related Documents to make when and as due any payments required for the payment of principal, interest and any premium due or to become due on the Bonds unless the consent of the Owners of all Bonds adversely affected thereby is first secured. If at any time the Issuer shall request the consent of the Trustee to any such proposed amendment, change or modification of any Credit Facility, Credit Agreement or any Related Document to which the Issuer is a party or the Issuer shall request consent of the Trustee to any such proposed amendment, change or modification of any other Related Document to which the Issuer is not a party, the Trustee shall, upon being satisfactorily indemnified with respect to liability and expenses, cause notice of such proposed amendment, change or modification to be given to the Owners of the Outstanding Bonds affected thereby in the same manner as provided in Section 12.2 with respect to supplemental indentures. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file at the principal office of the Trustee for inspection by all Owners. The Trustee shall not, however, be subject to any liability to any Owner by reason of its failure to mail such notice to any particular Bondowner if notice was generally mailed to Bondowners, and any such failure shall not affect the validity of such amendment, change or modification when consented to and approved as provided in this Section. If the Owners of a majority in aggregate principal amount of the Bonds then Outstanding at the time of the execution of any such amendment shall

consent to the execution thereof as herein provided, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such amendment, the applicable Credit Facility, Credit Agreement or any Related Documents thereby amended shall be deemed to be modified and amended in accordance therewith. Nothing in this Section contained shall permit or be construed as permitting a reduction or change in the stated maturities of the Bonds.

Notwithstanding anything in this Section, if any amendment, change or modification of any Related Document may be amended with the approval of the Owners of a majority in the aggregate principal amount of the then Outstanding Bonds of a Series affected by such amendment, change or modification, provided that the Credit Provider obligated under a Credit Facility (but not a Liquidity Facility) for such Series and such Credit Provider is not otherwise in default in its obligations under its Credit Agreement, such Credit Provider shall have the right to approve such amendment, change or modification as if such Credit Provider were the Owners of a majority in the aggregate principal amount of the then Outstanding Bonds of such affected Series.

If, in the opinion of the Trustee, any amendment, change, or modification of any Related Document provided for in this Article affects the rights, duties, or immunities of the Trustee under this Indenture or otherwise, the Trustee may, in its discretion, decline to consent to such amendment, change, or modification.

ARTICLE FOURTEEN MISCELLANEOUS PROVISIONS

Section 14.1. Amounts Remaining in Accounts.

Upon discharge hereof as provided herein and after adequate provision has been made to discharge the Bonds in accordance with *Article Nine* and to make all other payments required hereunder and under the Related Documents, or if amounts are held in any Account solely with respect to a particular Series of Bonds then upon adequate provision to discharge that Series in accordance with *Article Nine* and to make all other payments required hereunder and under any Related Documents, the Trustee forthwith shall pay all remaining amounts in the Accounts held by it and established in *Article Five* or, if such discharge is with respect to a particular Series, then in the Accounts relating to that Series, as directed by any Supplemental Indenture or, in the absence of such direction, upon the written instruction of the Issuer.

Section 14.2. Rights Under Indenture.

With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give any person or company other than the parties hereto, and the Bondowners, any legal or equitable right, remedy, or claim under or in respect to this Indenture or any covenants, conditions and provisions herein contained; this Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the Owners of the Bonds hereby secured as herein provided.

* * *

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX D

EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES

Set forth below are certain excerpted provisions of the Twenty-Eighth Supplemental Indenture of Trust, dated as of October 1, 2020, relating to the Series 2020A Bonds, the Twenty-Ninth Supplemental Indenture of Trust, dated as of October 1, 2020, relating to the Series 2020B Bonds, the Thirtieth Supplemental Indenture of Trust, dated as of October 1, 2020, relating to the Series 2020C Bonds and the Thirty-First Supplemental Indenture (each, a "Supplemental Indenture"). Each such Supplemental Indenture supplements and amends the Indenture of Trust dated August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004 and December 1, 2014 (the "Master Indenture"). See "APPENDIX C – EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE."

These excerpts are qualified by reference to other portions of the applicable Supplemental Indenture and the Master Indenture referred to or described elsewhere in this Official Statement, and all references and summaries pertaining to a Supplemental Indenture in this Official Statement are, separately and in whole, qualified by reference to the exact terms of the applicable Supplemental Indenture, copies of which may be obtained from the Sports Authority. Section and Article references contained in the following excerpts are to Sections and Articles contained in the applicable Supplemental Indenture. Provisions included herein are in substantially final form, but may change prior to the initial delivery of the Series 2020 Bonds to the Underwriters and may thereafter be amended in accordance with the terms of the Master Indenture. The excerpted provisions in this Appendix are not complete copies of the Supplemental Indentures.

* * * * *

TWENTY-EIGHTH SUPPLEMENTAL INDENTURE OF TRUST

THIS TWENTY-EIGHTH SUPPLEMENTAL INDENTURE OF TRUST (the "Twenty-Eighth Supplemental Indenture") is made and entered into as of October 1, 2020, by and between the HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a political subdivision of Harris County, Texas, Houston, Texas, and the State of Texas duly organized and existing under the Constitution and laws of the State of Texas (the "Issuer"), and UMB BANK, NATIONAL ASSOCIATION, a national banking association, authorized to accept and execute trusts of the character herein set out, with a payment office in Kansas City, Missouri (the "Trustee"):

* * *

NOW THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS, THIS TWENTY-EIGHTH SUPPLEMENTAL INDENTURE WITNESSETH:

The Issuer, in consideration of the premises and the acceptance by the Trustee of the trusts created hereby and by the Indenture and of the purchase and acceptance of the Series 2020A Bonds by the Owners thereof, in order to provide a source of payment for and to secure the payment of the principal of, premium, if any, and interest on the Series 2020A Bonds according to their tenor and effect, the payment of all amounts due and owing to the Series 2020A Credit Provider and the Debt Service Reserve Account Policy (Series 2020A) Credit Provider, and the performance and observance by the Issuer of all the covenants expressed or implied in the Indenture and herein and in the Series 2020A Bonds, does hereby grant, mortgage, grant a security interest in, assign, transfer in trust, and pledge to the Trustee, and to its successors in trust, and to them and their assigns forever, the following:

FIRST

All of the Trust Estate as described and pledged pursuant to the Indenture, in accordance with the terms of the Indenture;

SECOND

The Bond Insurance Policy (Series 2020A) and all amounts received thereunder; ~~provided, that the Bond Insurance Policy (Series 2020A) and all amounts received thereunder or in connection therewith shall constitute a source of payment solely and exclusively for the Insured Series 2020A Bonds provided as herein and in such Bond Insurance Policy (Series 2020A), and the amounts received thereunder or in connection therewith shall not be deemed part of the Trust Estate with respect to any other Series of Bonds from time to time Outstanding under the Indenture;~~ and

THIRD

The Debt Service Reserve Account Policy (Series 2020A) and all amounts received thereunder or in connection therewith; ~~provided, that the Debt Service Reserve Account Policy (Series 2020A) and all amounts received thereunder or in connection therewith shall constitute a source of payment solely and exclusively for the Series 2020A Bonds, and the amounts received thereunder or in connection therewith shall not be deemed part of the Trust Estate with respect to any other Series of Bonds from time to time Outstanding under the Indenture;~~

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby granted and assigned, or agreed or intended so to be, to the Trustee and its successors in trust and to them and their assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all Owners from time to time of the Bonds issued under and secured by the Indenture and the Credit Providers, without privilege, priority or distinction as to lien or otherwise of any of the Bonds over any other Bonds except as otherwise provided in the Original Indenture, any other Supplemental Indenture or herein with respect to certain security or sources of payment for certain of the Series 2020A Bonds, except for those portions of the Trust Estate described in Granting Clauses Second and Third, which shall constitute a source of payment solely and exclusively for the Series 2020A Bonds, and the amounts received thereunder or in connection therewith shall not be deemed part of the Trust Estate with respect to any other Series of Bonds from time to time Outstanding under the Indenture;

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, or provide fully for payment as herein provided of the principal of the Series 2020A Bonds and the interest due or to become due thereon (together with premium, if any), at the time and in the manner set forth in the Series 2020A Bonds according to the true intent and meaning thereof, and shall make the payments into the Senior Lien Debt Service Account as required under the Indenture or shall provide, as permitted by the Indenture, for the payment thereof by depositing with the Trustee sums sufficient for payment of the entire amount due or to become due thereon as therein provided, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Indenture to be kept, performed and observed by it, and shall pay to the Trustee, the Series 2020A Credit Provider, and the Debt Service Reserve Account Policy (Series 2020A) Credit Provider all sums of money due or to become due to them in accordance with the terms and provisions hereof and of the Original Indenture, then this Twenty-Eighth Supplemental Indenture and all provisions of the Indenture applicable to the Series 2020A Bonds and the rights thereby granted shall cease, terminate and be void except as otherwise provided herein; otherwise, the Indenture shall be and remain in full force and effect with respect to the Series 2020A Bonds.

UNDER THE PROVISIONS OF THE ENABLING ACT AND THE INDENTURE AS HEREBY AMENDED AND SUPPLEMENTED, the Series 2020A Bonds and any other obligations hereunder may be payable from and are a charge upon only the Revenues, Special Revenues, and Trust Estate pledged to the payment thereof and no Owner or Owners of the Bonds shall ever have the right to compel any exercise of the taxing power of the Issuer to pay any Series 2020A Bonds or the interest and premium, if any, thereon, or to enforce payment thereof against any property of the Issuer, except with respect to Revenues and the Special Revenues to the extent pledged hereby and by the Indenture and the Series 2020A Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the Issuer, except as provided in the Indenture and herein, and the Enabling Act provides that under no circumstances shall any Series 2020A Bond or other obligation of the Issuer be or become an indebtedness or obligation of the State of Texas, Harris County, Texas or the City of Houston, Texas or any other political subdivision of or municipality within the State, nor shall any such Series 2020A Bond or obligation be or become an indebtedness of the Issuer within the purview of any constitutional limitation or provision, but nothing in

the Enabling Act impairs the rights of Owners of Series 2020A Bonds issued under the Original Indenture and this Twenty-Eighth Supplemental Indenture to enforce the covenants made for the security thereof as provided in the Original Indenture and this Twenty-Eighth Supplemental Indenture and in the Enabling Act and the Issuer and the Trustee mutually covenant and agree, to the extent specifically provided herein, for the benefit of all Owners of all series of Bonds as follows:

* * *

ARTICLE ONE DEFINITIONS, EXHIBITS AND GENERAL PROVISIONS

Section 1.2. *Additional Definitions Applicable to this Twenty-Fourth Supplemental Indenture.*

In this Twenty-Eighth Supplemental Indenture, the following terms have the following meanings unless the context hereof clearly requires otherwise:

“AGM” means Assured Guaranty Municipal Corp.

“Bond Insurance Policy (Series 2020A)” means the municipal bond insurance policy issued by AGM and designated as Policy Number _____ insuring the payment when due of the principal of and interest on the Insured Series 2020A Bonds as provided therein.

“Bondowner,” for the purposes of this Twenty-Eighth Supplemental Indenture only, means the person in whose name a Series 2020A Bond is registered in the Bond Register.

“Corresponding Agreements,” for the purposes of this Twenty-Eighth Supplemental Indenture only, means the Bond Insurance Policy (Series 2020A), the Series 2020A Credit Agreement, this Twenty-Eighth Supplemental Indenture, and the Original Indenture.

“Debt Service Reserve Account Policy (Series 2020A)” means the municipal bond debt service reserve insurance policy issued by AGM and designated as Policy Number _____ issued in a principal amount equal to the Reserve Requirement for the Series 2020A Bonds by the Debt Service Reserve Account Policy (Series 2020A) Credit Provider.

“Debt Service Reserve Account Policy (Series 2020A) Credit Provider” means AGM or any successor thereto, in its capacity as issuer of the Debt Service Reserve Account Policy (Series 2020A).

“Debt Service Reserve Account Policy Agreement (Series 2020A)” means the Reimbursement and Indemnity Agreement dated as of October 1, 2020, by and between the Issuer and the Series 2020A Credit Provider, as it may be amended and supplemented from time to time. Such Agreement constitutes a “Credit Agreement” as defined in the Original Indenture.

“DTC” mean Depository Trust Company, New York, New York, as Depository for the Bonds, and its successors and assigns.

“EMMA” means the Electronic Municipal Market Access website.

“Escrow Agent”, for the purpose of this Twenty-Eighth Supplemental Indenture only, means UMB Bank, National Association, and its successors in such capacity.

“Escrow Agreement”, for the purpose of this Twenty-Eighth Supplemental Indenture only, means the Escrow Agreement, dated as of October 1, 2020, between the Issuer and the Trustee as Escrow Agent, for the refunding of the Refunded Obligations.

"Indenture" means the Original Indenture, as amended and supplemented by supplemental indentures, including this Twenty-Eighth Supplemental Indenture, and as further supplemented and amended from time to time.

"Insured Series 2020A Bonds" means the Series 2020A Bonds.

"Interest Payment Dates" means May 15 and November 15 of each year commencing May 15, 2021.

"Mandatory Sinking Fund Payment Dates", for the purpose of this Twenty-Eighth Supplemental Indenture only, means the dates specified in *Exhibit A*.

"Mandatory Sinking Fund Payments" means the payments which are required to be made under *Section 3.1* to redeem the Series 2020A Bonds in accordance with the Mandatory Sinking Fund Requirements after appropriate credits, if any, have been made.

"Mandatory Sinking Fund Requirements" means the mandatory sinking fund schedules for the Series 2020A Bonds set forth in *Exhibit A*.

"MSRB" means the Municipal Securities Rulemaking Board. Information to be filed with the MSRB pursuant to the Rule will be submitted through EMMA maintained by the MSRB and accessible at <http://www.emma.msrb.org> or other such other access location as designated by the SEC or the MSRB.

"NRG Stadium Indenture" means the Indenture of Trust, dated as of December 1, 2014, between the Issuer and Amegy Bank National Association relating to the Harris County-Houston Sports Authority Taxable Revenue Refunding Bonds (NRG Stadium Project) Series 2014.

"Original Indenture" means the Indenture of Trust dated as of August 15, 1998, as amended and restated on May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014, and as amended as of October 1, 2020, between the Issuer and the Trustee.

"Participants" mean those broker-dealers, banks and other financial institutions from time to time for which DTC holds Series 2020A Bonds as Depositary.

"Rebate Account", for the purpose of this Twenty-Eighth Supplemental Indenture only, shall mean the Series 2020A Subaccount established as provided in *Section 6.1(a)*.

"Refunded Bonds", for the purpose of this Twenty-Eighth Supplemental Indenture only, means all or a portion of certain of the Issuer's outstanding Senior Lien Revenue Refunding Bonds, Series 2001A, Junior Lien Revenue Bonds, Series 2001H, Senior Lien Revenue Refunding Bonds, Series 2014A, and Second Lien Revenue Refunding Bonds, Series 2014C, or of the respective series, principal amounts, and interest rates of such Bonds tendered for sale to and purchased by the the Issuer pursuant to the Tender Offer, all as set forth in *Exhibit D* hereto.

"Refunded Interest," for the purpose of this Twenty-Eighth Supplemental Indenture only, means all or a portion of certain interest payments with respect to certain of the Issuer's outstanding Senior Lien Revenue Refunding Bonds, Series 2001A, Junior Lien Revenue Bonds, Series 2001H; Senior Lien Revenue Refunding Bonds, Series 2014A; and Second Lien Revenue Refunding Bonds, Series 2014C, as set forth in *Exhibit D*.

"Refunded Obligations" means for the purpose of this Twenty-Eighth Supplemental Indenture only, the Refunded Bonds and the Refunded Interest.

"Regular Record Date" means with respect to any Interest Payment Date, the last day of the month (whether or not a Business Day) preceding the month in which such Interest Payment Date occurs.

"Reserve Requirement", for the purpose of this Twenty-Eighth Supplemental Indenture and with respect to the Series 2020A Bonds only, shall mean \$ _____.

"Rockets Stadium Indenture" means the Indenture of Trust, dated as of December 1, 2014, between the Issuer and The Bank of New York Mellon Trust Company, N.A. relating to the Harris County-Houston Sports Authority Taxable Revenue Refunding Bonds (Toyota Center Project) Series 2014.

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

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

"Series 2020A Bonds" means all Bonds authorized to be issued under this Supplemental Indenture maturing on the dates and issued in the aggregate original principal amounts specified in *Section 2.2(a)*.

"Series 2020A Costs of Issuance Subaccount" for the purpose of this Twenty-Eighth Supplemental Indenture only, shall mean the Series 2020A Costs of Issuance Subaccount established within the Construction Account as provided in *Section 6.1(a)*.

"Series 2020A Credit Agreement" means the Reimbursement and Indemnity Agreement dated as of October 1, 2020, by and between the Issuer and the Series 2020A Credit Provider, as it may be amended and supplemented from time to time. Such Agreement constitutes a "Credit Agreement" as defined in the Original Indenture.

"Series 2020A Credit Provider" means AGM and its successors and assigns, in its capacity as provider of the Bond Insurance Policy (Series 2020A).

"Series 2020A Depository Letter" means the global representation letter from the Issuer and the Trustee to DTC.

"Series 2020A Policy Payments Account" for the purpose of this Twenty-Eighth Supplemental Indenture only, shall mean the Series 2020A Policy Payments Account established within the Senior Lien Debt Service Account as provided in *Section 6.1(a)*.

"Series 2020A Senior Lien Credit Subaccount" for the purpose of this Twenty-Eighth Supplemental Indenture only, shall mean the Series 2020A Senior Lien Credit Subaccount established within the Senior Lien Debt Service Account as provided in *Section 6.1(a)*.

"Series 2020A Senior Lien Debt Service Reserve Subaccount" for the purpose of this Twenty-Eighth Supplemental Indenture only, shall mean the Series 2020A Senior Debt Service Reserve Subaccount established within the Senior Lien Debt Service Account as provided in *Section 6.1(a)*.

"Series 2020A Senior Lien Interest Subaccount", for the purpose of this Twenty-Eighth Supplemental Indenture only, means the Series 2020A Senior Lien Interest Subaccount established within the Senior Lien Debt Service Account as provided in *Section 6.1(a)*.

"Series 2020A Senior Lien Principal Subaccount", for the purpose of this Twenty-Eighth Supplemental Indenture only, means the Series 2020A Senior Lien Principal Subaccount established within the Senior Lien Debt Service Account as provided in *Section 6.1(a)*.

"Series 2020A Senior Lien Redemption Subaccount", for the purpose of this Twenty-Eighth Supplemental Indenture only, shall mean the Series 2020A Senior Lien Redemption Subaccount established within the Senior Lien Debt Service Account as provided in *Section 6.1(a)*.

"Tender Agent" means Globic Advisors, as tender agent under the Tender Offer.

"Tender Offer" means the Invitation to Offer Bonds made by the Issuer relating to certain of the Refunded Bonds.

"Twenty-Eighth Supplemental Indenture" means this Twenty-Eighth Supplemental Indenture of Trust dated as of October 1, 2020, between the Issuer and the Trustee as such Twenty-Eighth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

* * *

ARTICLE FIVE

COVENANTS TO MAINTAIN STATUS OF TAX EXEMPT BONDS

Section 5.1. *Definitions.*

When used in this Article, each of the following terms shall have the indicated meaning:

"Closing Date" means the date on which the Common Issue Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

"Code" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"Common Issue Bonds" means the Series 2020A Bonds and any other tax-exempt bonds sold within 15 days of the first day on which there is a binding written contract for the sale or exchange of the Series 2020A Bonds and which are part of the same "issue," as defined in section 1.150-1(c) of the Treasury Regulations, as the Series 2020A Bonds.

"Computation Date" has the meaning stated in section 1.148-1(b) of the Treasury Regulations.

"Gross Proceeds" means any proceeds as defined in section 1.148-1(b) of the Treasury Regulations, and any replacement proceeds as defined in section 1.148-1(c) of the Treasury Regulations, of the Common Issue Bonds.

"Investment" has the meaning stated in section 1.148-1(b) of the Treasury Regulations.

"Nonpurpose Investment" means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Common Issue Bonds are invested and which is not acquired to carry out the governmental purposes of the Common Issue Bonds.

"Rebate Amount" has the meaning set forth in section 1.148-1(b) of the Treasury Regulations.

"Treasury Regulations" means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Common Issue Bonds. Any reference to any specific Treasury Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Treasury Regulation referenced.

"Yield of"

(1) any Investment shall be computed in accordance with section 1.148-5 of the Treasury Regulations, and

(2) the Common Issue Bonds shall be computed in accordance with section 1.148-4 of the Treasury Regulations.

Section 5.2. *Not to Cause Interest to Become Taxable.*

The Issuer shall not use, permit the use of or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds) in a manner which, if made or omitted, respectively, would cause the interest on any Common Issue Bond to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the Issuer shall have received a written opinion of Bond Counsel to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Common Issue Bond, the Issuer shall comply with each of the specific covenants in this Article.

(a) No Private Payments. Except to the extent permitted by section 141 of the Code and the regulations and rulings thereunder, the Issuer shall, at all times prior to the last stated maturity of the Common Issue Bonds, not directly or indirectly impose or accept any charge or other payment for use of Gross Proceeds of the Common Issue Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds (including property financed with Gross Proceeds of the Refunded Bonds) other than taxes of general application and interest earned on Investments allocated to such Gross Proceeds pending application for their intended purposes.

(b) No Private Loan. Except to the extent permitted by section 141 of the Code and the regulations and rulings thereunder, the Issuer shall not use Gross Proceeds of any of the Common Issue Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, Gross Proceeds are considered to be "loaned" to a person or entity if (1) property acquired, constructed or improved with Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes, (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement, or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or such property are otherwise transferred in a transaction which is the economic equivalent of a loan.

(c) Not to Invest at Higher Yield. Except to the extent permitted by section 148 of the Code and the regulations and rulings thereunder, the Issuer shall not, at any time prior to the earlier of the final stated maturity or final payment of the Common Issue Bonds, directly or indirectly invest Gross Proceeds of such Common Issue Bonds in any Investment (or use such Gross Proceeds to replace money so invested), if as a result of such investment the Yield of all Investments allocated to such Gross Proceeds whether then held or previously disposed of, exceeds the Yield on such Common Issue Bonds.

(d) Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the regulations and rulings thereunder, the Issuer shall not take or omit to take any action which would cause the Common Issue Bonds to be federally guaranteed within the meaning of section 149(b) of the Code and the regulations and rulings thereunder.

(e) Information Report. The Issuer shall timely file with the Secretary of the Treasury the information required by section 149(e) of the Code with respect to the Common Issue Bonds on such form and in such place as such Secretary may prescribe.

(f) Elections. The Issuer hereby directs and authorizes the Chair and Vice Chair, either or any combination of them, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Common Issue Bonds, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

(g) Bonds Not Hedge Bonds.

(1) At the time the original bonds refunded by the Common Issue Bonds were issued, the Issuer reasonably expected to spend at least 85% of the spendable proceeds of such bonds within three years after such bonds were issued.

(2) Not more than 50% of the proceeds of the original bonds refunded by the Common Issue Bonds were invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

Section 5.3. *Payment of Rebate Amount.*

(a) Except to the extent otherwise provided in section 148(f) of the Code and the regulations and rulings thereunder, the Issuer shall:

(1) account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of such accounting for at least six years after the day on which the last Common Issue Bond is discharged. The Issuer may, however, to the extent permitted by law, commingle Gross Proceeds of the Common Issue Bonds with other money of the Issuer, provided that the Issuer separately accounts for each receipt and expenditure of such Gross Proceeds and the obligations acquired therewith.

(2) calculate the Rebate Amount with respect to the Common Issue Bonds not less frequently than annually, in accordance with rules set forth in section 148(f) of the Code, section 1.148-3 of the Treasury Regulations, and the rulings thereunder. The Issuer shall, within 55 days of the calculation of the Rebate Amount provided in this *Subsection (2)*, deliver a copy of the calculation to the Trustee, and, to the extent that such calculation determines that the Issuer may owe any Rebate Amount to the United States, direct the Trustee in a writing executed by an Issuer Representative to transfer amounts to the Rebate Account from any Account or Subaccount with respect to which such Rebate Amount may be owed. The Issuer and the Trustee shall maintain a copy of such calculations for at least six years after the final Computation Date.

(3) as additional consideration for the purchase of the Common Issue Bonds by the initial purchaser thereof and the loan of the money represented thereby, and in order to induce such purchase by measures designed to ensure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, pay to the United States the amount described in *Subsection (2)* above from Revenues, Special Revenues, and other amounts pledged for payment of the Series 2020A Bonds as part of the Trust Estate, at the times, in the installments, to the place, in the manner and accompanied by such forms or other information as is or may be required by section 148(f) of the Code and the regulations and rulings thereunder. At any time the Issuer is required to pay any Rebate Amount to the United States the Issuer shall within 60 days of the calculation of the Rebate Amount provided in *Subsection (2)* of this Section provide to the Trustee the applicable Form 8038T (or successor form thereto), and direct the Trustee to remit to the United States such Rebate Amount.

(4) exercise reasonable diligence to assure that no errors are made in the calculations required by *Subsection (2)* and, if such error is made, to discover and promptly to correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, any interest thereon and any penalty required by the Treasury Regulations.

Notwithstanding anything in this Subsection, if at any time the Issuer determines that as a result of expenditures of Bond proceeds or otherwise the Issuer is not required to pay any further Rebate Amounts to the United States with respect to the Common Issue Bonds as a result of an exception to payment of Rebate Amounts authorized by section 148(f) of the Code and the regulations and rulings thereunder, then upon delivery to the Trustee of (i) a certificate executed by an Issuer Representative setting forth the factual basis for the exception to further payment of any Rebate Amounts and (ii) an Opinion of Bond Counsel to the effect that failing to make further payment of any Rebate Amounts will not adversely affect the tax-exempt status of the interest on the Common Issue Bonds, thereafter the Issuer may discontinue the calculations, payments, and reports required by this *Subsection (a)*.

(b) Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the regulations and rulings thereunder, the Issuer shall not, at any time prior to the earlier of the final stated maturity or final payment of the Common Issue Bonds enter into any transaction that reduces the amount required to be paid to the United States pursuant to this Section 5.3(a) because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of such Series of the Common Issue Bonds not been relevant to either party.

Section 5.4. *Ineligible Payments.*

Without an approving opinion of Bond Counsel to the effect that such use will not adversely affect the excludability of interest on any Common Issue Bond from the gross income of the owners thereof for federal income tax purposes, the Issuer may not use pledged amounts defined as "Revenues" in the NRG Stadium Indenture or defined as "Revenues" in the Rockets Stadium Indenture for the payment of principal of or interest on other amounts owed in connection with the Series 2020A Bonds.

Section 5.5. *No Payment/Term Modifications to Agreements.*

Without an approving opinion of Bond Counsel to the effect that such action will not adversely affect the excludability of interest on any Common Issue Bond, the Issuer shall not modify any payment or term provision of, renew or extend any agreements pursuant to which the Issuer receives or is assigned payments with respect to the facilities financed with proceeds of the Refunded Bonds, nor shall the Issuer enter into any new agreements pursuant to which the Issuer receives or is assigned payments with respect to such facilities.

* * *

ARTICLE SIX

FUNDS AND ACCOUNTS

Section 6.1. *Establishment of Series 2020A Accounts; Deposit of Series 2020A Bond Proceeds.*

(a) There is hereby established within the Senior Lien Debt Service Account a Series 2020A Senior Lien Interest Subaccount, a Series 2020A Senior Lien Principal Subaccount, a Series 2020A Senior Lien Redemption Subaccount, a Series 2020A Policy Payments Account, and a Series 2020A Senior Lien Credit Subaccount. There is hereby established a Series 2020A Senior Lien Debt Service Reserve Subaccount within the Senior Lien Debt Service Reserve Account. There is hereby established a Series 2020A Costs of Issuance Subaccount within the Construction Account. There is hereby established a Series 2020A Rebate Subaccount within the Rebate Account.

Section 6.2. *Debt Service Account.*

In addition and supplemental to the Debt Service Account provisions of the Original Indenture, the following provisions shall govern operation of the Debt Service Account with respect to the Series 2020A Bonds:

(a) Senior Lien Interest Subaccount. The moneys directed to be deposited into the Series 2020A Senior Lien Interest Subaccount pursuant to **Section 6.1(b)(1)**, if any, shall be deposited therein. Prior to the application of any amounts from the Pledged Revenue Account or the Special Revenue Account to pay interest on the Series 2020A Bonds pursuant to **Section 5.4** or **Section 5.2(e)** of the Indenture, the Trustee shall first apply amounts deposited into the Series 2020A Senior Lien Interest Subaccount, if any, pursuant to **Section 6.1(b)(1)** to the Series 2020A Senior Lien Interest Subaccount as credits, all as contemplated by and consistent with **Section 5.4** of the Indenture.

(b) Senior Lien Principal Subaccount. All amounts directed to be deposited into the Series 2020A Senior Lien Principal Subaccount pursuant to the Original Indenture or this Twenty-Eighth

Supplemental Indenture shall be applied to pay principal on the Series 2020A Bonds as and when due, whether by reason of maturity or Mandatory Sinking Fund Requirements pursuant to **Section 3.1**, or, to the extent provided in the Original Indenture, by reason of redemption prior to stated maturity. There shall be transferred to the Series 2020A Senior Lien Principal Subaccount, monthly, the amount required to be transferred from the Pledged Revenue Account pursuant to **Section 5.4(u)(2)** of the Indenture or the Special Revenue Account pursuant to **Section 5.4(d)** or **Section 5.2(e)** of the Indenture.

In the event the Series 2020A Bonds payable out of the Series 2020A Senior Lien Principal Subaccount on a specific date as aforesaid have been fully paid and excess moneys are on deposit in the Series 2020A Senior Lien Principal Subaccount on that specific date, then such moneys on deposit in the Series 2020A Senior Lien Principal Subaccount on such date shall be applied to Series 2020A Bonds payable out of the Series 2020A Senior Lien Principal Subaccount on the next succeeding date in chronological order. The Series 2020A Bonds shall be paid or redeemed by the Trustee pursuant to the provisions of this paragraph without any notice from or direction by the Issuer.

(c) **Senior Lien Redemption Subaccount.** All amounts directed to be deposited into the Series 2020A Senior Lien Redemption Subaccount pursuant to the Original Indenture or this Twenty-Eighth Supplemental Indenture to redeem or purchase Series 2020A Bonds shall be so applied.

(d) **Senior Lien Credit Subaccount.** The Series 2020A Credit Provider is subrogated to the rights of the Owners of the Series 2020A Bonds in the Trust Estate if the Series 2020A Credit Provider makes payments under the Bond Insurance Policy (Series 2020A). **To the extent, however, that such subrogation rights are insufficient to pay to the Series 2020A Credit Provider all amounts owing under the Series 2020A Credit Agreement, then the Trustee, upon written direction of the Series 2020A Credit Provider, shall deposit Revenues to the Series 2020A Senior Lien Credit Subaccount as provided in the Indenture and apply amounts held therein upon written direction of the Series 2020A Credit Provider to the satisfaction of such unsubrogated obligations under the Series 2020A Credit Agreement.**

(e) Except as expressly provided to the contrary by this Twenty-Eighth Supplemental Indenture, all amounts realized upon investment of amounts on deposit in the Subaccounts within the Debt Service Account established under this Twenty-Eighth Supplemental Indenture shall be applied as provided in the Original Indenture.

Section 6.3. *Series 2020A Costs of Issuance Subaccount.*

In addition and supplemental to the Construction Account provisions of the Original Indenture, the following provisions shall govern operation of the Series 2020A Costs of Issuance Subaccount with respect to the Series 2020A Bonds:

(a) The moneys directed to be deposited in the Series 2020A Costs of Issuance Subaccount by **Section 6.1(b)(4)** hereof, shall be deposited therein. All amounts realized upon investment of amounts on deposit in the Series 2020A Costs of Issuance Subaccount shall be credited to the Series 2020A Costs of Issuance Subaccount.

(b) The Trustee shall disburse funds from the Series 2020A Costs of Issuance Subaccount upon receipt by the Trustee of a requisition certificate of the Issuer Representative directing the disbursement of such funds as provided in **Section 5.3(c)** of the Original Indenture and as attached hereto as *Exhibit C*.

Section 6.4. *Senior Lien Debt Service Reserve Account.*

(a) In addition and supplemental to the Senior Lien Debt Service Reserve Account provisions of the Original Indenture, the provisions of this Section shall govern operation of the Series 2020A Senior Lien Debt Service Reserve Subaccount with respect to the Series 2020A Bonds.

(b) The Debt Service Reserve Account Policy (Series 2020A) shall be provided in an amount equal to the Reserve Requirement for the Series 2020A Bonds. Any proceeds received from the Debt Service Reserve Account Policy (Series 2020A) shall be deposited into the Series 2020A Senior Lien Debt Service Reserve Subaccount and applied as provided in *Article Five* of the Original Indenture to pay principal and interest only on the Series 2020A Bonds, pro rata based on the Debt Service Requirements then due with respect to the Series 2020A Bonds.

(c) In the event that one or more drawings are made upon the Debt Service Reserve Account Policy (Series 2020A), the Debt Service Reserve Account Policy (Series 2020A) Credit Provider shall be paid its fees and expenses as provided in the Debt Service Reserve Account Policy Agreement (Series 2020A), but solely out of the Revenues and the Special Revenues in the manner and at the times provided in *Article Five* of the Original Indenture (including, in particular, *Section 5.4(a)(3)* and *Section 5.2(e)* thereof).

Section 6.5. *Series 2020 Rebate Subaccount.*

Amounts shall be deposited to the Rebate Account upon the written direction of the Issuer as provided in *Sections 5.2* and *5.3*. The Rebate Account shall be applied for payment of any Rebate Amount on the Series 2014A Bonds and Series 2014C Bonds. If the Issuer directs the Trustee to make payments from the Rebate Account on any date and the amounts therein are insufficient to make such payments, the Trustee shall apply amounts in the Rebate Account pro rata based on the Outstanding aggregate principal amount of the Bonds (based on Accreted Value on the most recent May 15 or November 15 for the Series 2014A Capital Appreciation Bonds) at the time of calculation.

Section 6.6. *Series 2020A Policy Payments Account.*

Any payments under the Bond Insurance Policy (Series 2020A) must be deposited to the Series 2020A Policy Payments Account to pay principal of and interest on the Insured Series 2020A Bonds to the Owners thereof when due, and for no other purpose as provided in *Article Seven*.

* * *

ARTICLE SEVEN

**PAYMENTS UNDER THE BOND INSURANCE
POLICY (SERIES 2020A)**

So long as the Series 2020A Credit Provider is not in default under the Bond Insurance Policy (Series 2020A), the provisions of this Article Seven shall be controlling, notwithstanding anything herein or in the Indenture to the contrary, and further provided that at all times the Series 2020A Credit Provider shall retain its right of subrogation as provided herein.

Section 7.1. *Payments Under Bond Insurance Policy (Series 2020A).*

(a) If, on the third Business Day prior to the Payment Date on the Insured Series 2020A Bonds, there is not on deposit with the Trustee, after the Trustee will have made all transfers and deposits required under the Indenture (particularly *Section 5.6* of the Original Indenture), moneys sufficient to pay the principal and interest on the Insured Series 2020A Bonds due on such Payment Date, the Trustee shall give notice to the Series 2020A Credit Provider and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or teletype of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Insured Series 2020A Bonds due on such Payment Date, the Trustee shall make a claim under the Bond Insurance Policy (Series 2020A) and give notice to the Series 2020A Credit Provider and the Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Insured Series 2020A Bonds and the amount required to pay principal of the Insured Series 2020A Bonds, confirmed in writing to the Series 2020A Credit Provider and the Insurer's Fiscal Agent by 12:00

noon, New York City time, on such second Business Day by filing in the form of Notice of Claim and Certificate delivered with the Bond Insurance Policy (Series 2020A).

(b) The Trustee shall designate any portion of payment of principal on Insured Series 2020A Bonds paid by the Series 2020A Credit Provider, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured Series 2020A Bonds registered to the then current Owner, whether the Depository or its nominee or otherwise, and the Issuer shall issue, and the Trustee shall authenticate a replacement Insured Series 2020A Bond (or register such principal amount with the Depository) or in the name of the Series 2020A Credit Provider, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Issuer's or the Trustee's failure or inability to so designate any payment or issue any replacement Insured Series 2020A Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Insured Series 2020A Bond or the subrogation rights of the Series 2020A Credit Provider.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the Series 2020A Credit Provider into the Series 2020A Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Insured Series 2020A Bond. The Series 2020A Credit Provider shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Notwithstanding *Section 5.5(g)(2)* of the Original Indenture, upon payment of a claim under the Bond Insurance Policy (Series 2020A), the Trustee shall establish a separate special purpose trust account for the benefit of Bondowners referred to herein as the "Series 2020A Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Bond Insurance Policy (Series 2020A) in trust on behalf of Bondowners and shall deposit any such amount in the Series 2020A Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners in the same manner as principal and interest payments are to be made with respect to the Insured Series 2020A Bonds under the sections hereof regarding payment of Insured Series 2020A Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Issuer agrees to pay to the Series 2020A Credit Provider (i) a sum equal to the total of all amounts paid by the Series 2020A Credit Provider under the Bond Insurance Policy (Series 2020A) (the "Insurer Advances"); and (ii) interest on such Insurer Advances from the date paid by the Series 2020A Credit Provider until payment thereof in full, payable to the Series 2020A Credit Provider at the Late Payment Rate per annum, less, if any such Insurer Advances represent payments of principal on the Insured Series 2020A Bonds, the amount of interest on the Insured Series 2020A Bonds actually received by the Series 2020A Credit Provider as Bondowner (collectively, the "Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Insured Series 2020A Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days, and if paid to the Series 2020A Credit Provider as interest on Insurer Advances of principal on the Insured Series 2020A Bonds, will constitute payments of interest on the Insured Series 2020A Bonds to the extent interest has not otherwise been paid. The Issuer hereby covenants and agrees that the Insurer Reimbursement Amounts are secured by a lien on and pledge of the Trust Estate and payable from such Trust Estate on a parity with debt service due on the Insured Series 2020A Bonds. The Issuer further covenants with the Series 2020A Credit Provider and the Trustee that it will not take any action that would cause the Hotel Occupancy Tax and Vehicle Rental Tax not to be imposed while the Insured Series 2020A Bonds remain Outstanding.

(e) Funds held in the Series 2020A Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Series 2020A Policy Payments Account following a Bond Payment Date shall promptly be remitted to the Series 2020A Credit Provider.

(f) The Series 2020A Credit Provider shall, to the extent it makes any payment of principal of or interest on the Insured Series 2020A Bonds, become subrogated to the rights of the recipients of such payments in accordance

with the terms of the Bond Insurance Policy (Series 2020A) (which subrogation rights shall also include the rights of any such recipients in connection with any insolvency proceeding under the Indenture and the Insured Series 2020A Bonds). Each obligation of the Issuer to the Series 2020A Credit Provider under the Corresponding Agreements shall survive discharge or termination of the Corresponding Agreements.

(g) As Bond Service Charges, the Issuer shall pay or reimburse the Series 2020A Credit Provider any and all charges, fees, costs and expenses that the Series 2020A Credit Provider may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in any Corresponding Agreements; (ii) the pursuit of any remedies under the Indenture or any other Corresponding Agreement or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture or any other Corresponding Agreement whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Indenture or any other Corresponding Agreement or the transactions contemplated thereby, other than costs resulting from the failure of the Series 2020A Credit Provider to honor its obligations under the Bond Insurance Policy (Series 2020A). The Series 2020A Credit Provider reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture or any other Corresponding Agreement.

(h) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Issuer or rebate only after the payment of past due and current debt service on the Insured Series 2020A Bonds and amounts required to restore the Series 2020A Senior Lien Debt Service Reserve Subaccount to the Reserve Requirement.

(i) The Series 2020A Credit Provider shall be entitled to pay principal or interest on the Insured Series 2020A Bonds that shall become Due for Payment (as defined in the Bond Insurance Policy (Series 2020A)) but shall be unpaid by reason of Nonpayment (as defined in the Bond Insurance Policy (Series 2020A)) by the Issuer, whether or not the Series 2020A Credit Provider has received a Notice of Nonpayment (as such terms are defined in the Bond Insurance Policy (Series 2020A)) or a claim upon the Bond Insurance Policy (Series 2020A).

(j) The Series 2020A Credit Provider shall be deemed to be the sole holder of the Insured Series 2020A Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Insured Series 2020A Bonds insured by it are entitled to take pursuant to the Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Indenture and each Bond, the Trustee and each Bondowner appoint the Series 2020A Credit Provider as their agent and attorney-in-fact and agree that the Series 2020A Credit Provider may at any time during the continuation of any proceeding by or against the Issuer under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters with respect to the Insured Series 2020A Bonds relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding with respect to the Insured Series 2020A Bonds (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each Bondowner delegate and assign to the Series 2020A Credit Provider, to the fullest extent permitted by law, the rights of the Trustee and each Bondowner in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. Remedies granted to the Bondowners shall expressly include mandamus.

(k) Amounts paid by the Series 2020A Credit Provider under the Bond Insurance Policy (Series 2020A) shall not be deemed paid for purposes of the Indenture and the Insured Series 2020A Bonds relating to such payments shall remain outstanding and continue to be due and owing until paid by the Issuer in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the Series 2020A Credit Provider have been paid in full or duly provided for.

(l) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Twenty-Eighth Supplemental Indenture or the Indenture would adversely affect the security for the Bonds or the rights of the Bondowners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Bond Insurance Policy (Series 2020A).

ARTICLE EIGHT

DEBT SERVICE RESERVE ACCOUNT POLICY (*SERIES 2020A*)

So long as the Debt Service Reserve Account Policy (Series 2020A) Credit Provider is not in default under the Debt Service Reserve Account Policy (Series 2020A), the provisions of this Article Eight shall be controlling, notwithstanding anything herein or in the Indenture to the contrary, and further provided that at all times the Debt Service Reserve Account Policy (Series 2020A) Credit Provider shall retain its right of subrogation as provided herein

Section 8.1. *The Debt Service Reserve Account Policy (Series 2020A).*

(a) The Issuer shall repay any draws under the Debt Service Reserve Account Policy (Series 2020A) and pay all related reasonable expenses incurred by the Debt Service Reserve Account Policy (Series 2020A) Credit Provider and shall pay interest thereon from the date of payment by the Debt Service Reserve Account Policy (Series 2020A) Credit Provider at the Reserve Policy Late Payment Rate. The "Reserve Policy Late Payment Rate" means the lesser of (x) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate solely (the "Reserve Policy Prime Rate") (any change in such Reserve Policy Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Series 2020A Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Reserve Policy Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its prime or base lending rate publicly, the Reserve Policy Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the Debt Service Reserve Account Policy (Series 2020A) Credit Provider shall specify. If the interest provisions of this subparagraph (a) shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the Debt Service Reserve Account Policy (Series 2020A) Credit Provider, with the same force and effect as if the Issuer had specifically designated such extra sums to be so applied and the Debt Service Reserve Account Policy (Series 2020A) Credit Provider had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

Repayment of draws and payment of expenses and accrued interest thereon at the Reserve Policy Late Payment Rate (collectively, "Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to the Debt Service Reserve Account Policy (Series 2020A) Credit Provider shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Debt Service Reserve Account Policy (Series 2020A) Credit Provider on account of principal due, the coverage under the Debt Service Reserve Account Policy (Series 2020A) will be increased by a like amount, subject to the terms of the Debt Service Reserve Account Policy (Series 2020A). The obligation to pay Policy Costs shall be secured by a valid lien on all revenues and other collateral pledged as security for the Series 2020A Bonds (subject only to the priority of payment provisions set forth under the Indenture).

All cash and investments in the Series 2020A Senior Lien Debt Service Reserve Subaccount shall be transferred, first, to the Series 2020A Senior Lien Interest Subaccount to pay all interest due, and second, to the Series 2020A Senior Lien Principal Subaccount, for payment of principal on the Series 2020A Bonds before any drawing may be made on the Debt Service Reserve Account Policy (Series 2020A) or any other credit facility credited to the Series 2020A Senior Lien Debt Service Reserve Subaccount in lieu of cash ("Reserve Credit Facility"). Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Reserve Credit Facilities (including the Debt Service Reserve Account Policy (Series 2020A)) on which there is Available Coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Series 2020A Senior Lien Debt Service Reserve Subaccount. Payment of Policy Costs and reimbursement of amounts with respect to other Reserve Credit Facilities shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Series 2020A Senior Lien Debt Service Reserve Subaccount. For the avoidance of doubt, "Available Coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of subparagraph (a) hereof, the Debt Service Reserve Account Policy (Series 2020A) Credit Provider shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Indenture other than remedies which would adversely affect Owners of the Series 2020A Bonds.

(c) The Indenture shall not be discharged until all Policy Costs owing to the Debt Service Reserve Account Policy (Series 2020A) Credit Provider shall have been paid in full. The Issuer's obligation to pay such amounts shall expressly survive payment in full of the Series 2020A Bonds.

(d) The Issuer shall include any Policy Costs then due and owing the Debt Service Reserve Account Policy (Series 2020A) Credit Provider in the calculation of the additional bonds test and the rate covenant, as applicable, in the Indenture.

(e) The Indenture shall require the Trustee to ascertain the necessity for a claim upon the Debt Service Reserve Account Policy (Series 2020A) in accordance with the provisions of subparagraph (a) hereof and to provide notice to the Debt Service Reserve Account Policy (Series 2020A) Credit Provider in accordance with the terms of the Debt Service Reserve Account Policy (Series 2020A) at least five business days prior to each date upon which interest or principal is due on the Series 2020A Bonds. Where deposits are required to be made by the Issuer with the Trustee to the Series 2020A Senior Lien Debt Service Reserve Subaccount more often than semi-annually, the Trustee shall be instructed to give notice to Debt Service Reserve Account Policy (Series 2020A) Credit Provider of any failure of the Issuer to make timely payment in full of such deposits within two business days of the date due.

(f) The Trustee shall draw on the Debt Service Reserve Account Policy (Series 2020A) in accordance with its terms as provided in **Section 5.6** of the Original Indenture.

ARTICLE TEN

PLEDGE TO TRUST ESTATE

Section 10.1. Team Payments Pledged to Trust Estate.

The Issuer hereby expressly grants, mortgages, grants a security interest in, collaterally assigns, transfers in trust, and pledges to the Trustee on a parity with the pledge of any other Senior Lien Bonds Outstanding from time to time, as part of the Trust Estate the Team Payments (as defined in the Original Indenture) for all purposes under the Indenture, including, in the event of the Issuer's failure to do so, the right of the Issuer to enforce timely imposition and collection of all Team Payments, but solely with respect to the Series 2020A Bonds, which Team

Payments shall be Special Revenues with respect to such Series 2020A Bonds as provided in the Original Indenture, and which Special Revenues the Issuer has granted, mortgaged, granted a security interest in, collaterally assigned, transferred in trust, and pledged to the Trustee as part of Granting Clause Fourth in the Original Indenture, provided that such pledge of the Team Payments is limited to the Allowed Special Revenue Amount (as defined in the Original Indenture).

* * *

ARTICLE ELEVEN

MISCELLANEOUS PROVISIONS

Section 11.1. *Defaults and Remedies.*

An Event of Default for Senior Lien Bonds under *Article Ten* of the Original Indenture shall be an event of default under this Twenty-Eighth Supplemental Indenture upon expiration of the notice and cure periods provided for in the Original Indenture. Upon the occurrence of an event of default under this Twenty-Eighth Supplemental Indenture, the Trustee shall be entitled to exercise the same remedies, upon the same conditions, and subject to the same restrictions and limitations, as provided for in *Article Ten* of the Original Indenture.

Section 11.2. *The Trustee and Paying Agent.*

The Trustee, as defined in the Original Indenture, is hereby appointed as the Trustee, Bond Registrar, and the Paying Agent, as defined in the Original Indenture, for the Series 2020A Bonds, such appointments being pursuant to, and in all respects consistent with, the provisions of *Article Eleven* of the Original Indenture.

Section 11.3. *Amendments to the Indenture.*

Notwithstanding anything in the Indenture, if any provision of the Indenture, any Supplemental Indenture (including this Twenty-Eighth Supplemental Indenture), or any related document may be amended with the approval of the Owners of a majority in the aggregate principal amount of the then Outstanding Series 2020A Bonds, provided that the Series 2020A Credit Provider is not otherwise in default in its obligations under the Bond Insurance Policy (Series 2020A), such Series 2020A Credit Provider shall have the right to approve such amendment, change or modification as if such Series 2020A Credit Provider were the Owners of a majority in the aggregate principal amount of the then Outstanding Series 2020A Bonds.

Provided that the Series 2020A Credit Provider is not otherwise in default with respect to its payment obligations under the Bond Insurance Policy (Series 2020A), no amendment to the Indenture affecting the rights or interests of the Owners of the Series 2020A Bonds or of the Series 2020A Credit Provider shall be made without the consent of the Series 2020A Credit Provider.

The Trustee may rely on the opinion of Independent Counsel as to whether any amendment affects Bondowners or the Series 2020A Credit Provider.

* * *

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

TWENTY-NINTH SUPPLEMENTAL INDENTURE OF TRUST

THIS TWENTY-NINTH SUPPLEMENTAL INDENTURE OF TRUST (the "*Twenty-Ninth Supplemental Indenture*") is made and entered into as of October 1, 2020, by and between the HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a political subdivision of Harris County, Texas, Houston, Texas, and the State of Texas duly organized and existing under the Constitution and laws of the State of Texas (the "*Issuer*"), and UMB BANK, NATIONAL ASSOCIATION, a national banking association, authorized to accept and execute trusts of the character herein set out, with a payment office in Kansas City, Missouri (the "*Trustee*");

NOW THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS, THIS TWENTY-NINTH SUPPLEMENTAL INDENTURE WITNESSETH:

The Issuer, in consideration of the premises and the acceptance by the Trustee of the trusts created hereby and by the Indenture and of the purchase and acceptance of the Series 2020B Bonds by the Owners thereof, in order to provide a source of payment for and to secure the payment of the principal of, premium, if any, and interest on the Series 2020B Bonds according to their tenor and effect, the payment of all amounts due and owing to the Series 2020B Credit Provider and the Debt Service Reserve Account Policy (Series 2020B) Credit Provider, and the performance and observance by the Issuer of all the covenants expressed or implied in the Indenture and herein and in the Series 2020B Bonds, does hereby grant, mortgage, grant a security interest in, assign, transfer in trust, and pledge to the Trustee, and to its successors in trust, and to them and their assigns forever, the following:

FIRST

All of the Trust Estate as described and pledged pursuant to the Indenture, in accordance with the terms of the Indenture;

SECOND

The Bond Insurance Policy (Series 2020B) and all amounts received thereunder; provided, that the Bond Insurance Policy (Series 2020B) and all amounts received thereunder or in connection therewith shall constitute a source of payment solely and exclusively for the Insured Series 2020B Bonds provided as herein and in such Bond Insurance Policy (Series 2020B), and the amounts received thereunder or in connection therewith shall not be deemed part of the Trust Estate with respect to any other Series of Bonds from time to time Outstanding under the Indenture; and

THIRD

The Debt Service Reserve Account Policy (Series 2020B) and all amounts received thereunder or in connection therewith; provided, that the Debt Service Reserve Account Policy (Series 2020B) and all amounts received thereunder or in connection therewith shall constitute a source of payment solely and exclusively for the Series 2020B Bonds, and the amounts received thereunder or in connection therewith shall not be deemed part of the Trust Estate with respect to any other Series of Bonds from time to time Outstanding under the Indenture;

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby granted and assigned, or agreed or intended so to be, to the Trustee and its successors in trust and to them and their assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all Owners from time to time of the Bonds issued under and secured by the Indenture and the Credit Providers, without privilege, priority or distinction as to lien or otherwise of any of the Bonds over any other Bonds except as otherwise provided in the Original Indenture, any other Supplemental Indenture or herein with respect to certain security or sources of payment for certain of the Series 2020B Bonds, except for those portions of the Trust Estate described in Granting Clauses Second and Third, which shall constitute a source

of payment solely and exclusively for the Series 2020B Bonds, and the amounts received thereunder or in connection therewith shall not be deemed part of the Trust Estate with respect to any other Series of Bonds from time to time Outstanding under the Indenture;

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, or provide fully for payment as herein provided of the principal of the Series 2020B Bonds and the interest due or to become due thereon (together with premium, if any), at the time and in the manner set forth in the Series 2020B Bonds according to the true intent and meaning thereof, and shall make the payments into the Senior Lien Debt Service Account as required under the Indenture or shall provide, as permitted by the Indenture, for the payment thereof by depositing with the Trustee sums sufficient for payment of the entire amount due or to become due thereon as therein provided, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Indenture to be kept, performed and observed by it, and shall pay to the Trustee, the Series 2020B Credit Provider, and the Debt Service Reserve Account Policy (Series 2020B) Credit Provider all sums of money due or to become due to them in accordance with the terms and provisions hereof and of the Original Indenture, then this Twenty-Ninth Supplemental Indenture and all provisions of the Indenture applicable to the Series 2020B Bonds and the rights thereby granted shall cease, terminate and be void except as otherwise provided herein; otherwise, the Indenture shall be and remain in full force and effect with respect to the Series 2020B Bonds.

UNDER THE PROVISIONS OF THE ENABLING ACT AND THE INDENTURE AS HEREBY AMENDED AND SUPPLEMENTED, the Series 2020B Bonds and any other obligations hereunder may be payable from and are a charge upon only the Revenues, Special Revenues, and Trust Estate pledged to the payment thereof and no Owner or Owners of the Bonds shall ever have the right to compel any exercise of the taxing power of the Issuer to pay any Series 2020B Bonds or the interest and premium, if any, thereon, or to enforce payment thereof against any property of the Issuer, except with respect to Revenues and the Special Revenues to the extent pledged hereby and by the Indenture and the Series 2020B Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the Issuer, except as provided in the Indenture and herein, and the Enabling Act provides that under no circumstances shall any Series 2020B Bond or other obligation of the Issuer be or become an indebtedness or obligation of the State of Texas, Harris County, Texas or the City of Houston, Texas or any other political subdivision of or municipality within the State, nor shall any such Series 2020B Bond or obligation be or become an indebtedness of the Issuer within the purview of any constitutional limitation or provision, but nothing in the Enabling Act impairs the rights of Owners of Series 2020B Bonds issued under the Original Indenture and this Twenty-Ninth Supplemental Indenture to enforce the covenants made for the security thereof as provided in the Original Indenture and this Twenty-Ninth Supplemental Indenture and in the Enabling Act and the Issuer and the Trustee mutually covenant and agree, to the extent specifically provided herein, for the benefit of all Owners of all series of Bonds as follows:

* * *

ARTICLE ONE

DEFINITIONS, EXHIBITS AND GENERAL PROVISIONS

Section 1.2. *Additional Definitions Applicable to this Twenty-Ninth Supplemental Indenture.*

In this Twenty-Ninth Supplemental Indenture, the following terms have the following meanings unless the context hereof clearly requires otherwise:

“AGM” means Assured Guaranty Municipal Corp.

“Bond Insurance Policy (Series 2020B)” means the municipal bond insurance policy issued by AGM and designated as Policy Number _____ insuring the payment when due of the principal of and interest on the Insured Series 2020B Bonds as provided therein.

"Bondowner," for the purposes of this Twenty-Ninth Supplemental Indenture only, means the person in whose name a Series 2020B Bond is registered in the Bond Register.

"Corresponding Agreements," for the purposes of this Twenty-Ninth Supplemental Indenture only, means the Bond Insurance Policy (Series 2020B), the Series 2020B Credit Agreement, this Twenty-Ninth Supplemental Indenture, and the Original Indenture.

"Debt Service Reserve Account Policy (Series 2020B)" means the municipal bond debt service reserve insurance policy issued by AGM and designated as Policy Number _____ issued in a principal amount equal to the Reserve Requirement for the Series 2020B Bonds by the Debt Service Reserve Account Policy (Series 2020B) Credit Provider.

"Debt Service Reserve Account Policy (Series 2020B) Credit Provider" means AGM or any successor thereto, in its capacity as issuer of the Debt Service Reserve Account Policy (Series 2020B).

"Debt Service Reserve Account Policy Agreement (Series 2020B)" means the Reimbursement and Indemnity Agreement dated as of October 1, 2020, by and between the Issuer and the Series 2020B Credit Provider, as it may be amended and supplemented from time to time. Such Agreement constitutes a "Credit Agreement" as defined in the Original Indenture.

"DTC" mean Depository Trust Company, New York, New York, as Depository for the Bonds, and its successors and assigns.

"EMMA" means the Electronic Municipal Market Access website.

"Escrow Agent", for the purpose of this Twenty-Ninth Supplemental Indenture only, means UMB Bank, National Association, and its successors in such capacity.

"Escrow Agreement", for the purpose of this Twenty-Ninth Supplemental Indenture only, means the Escrow Agreement, dated as of October 1, 2020, between the Issuer and the Trustee as Escrow Agent, for the refunding of the Refunded Obligations.

"Indenture" means the Original Indenture, as amended and supplemented by supplemental indentures, including this Twenty-Ninth Supplemental Indenture, and as further supplemented and amended from time to time.

"Insured Series 2020B Bonds" means the Series 2020B Bonds.

"Interest Payment Dates" means May 15 and November 15 of each year commencing May 15, 2021.

"Mandatory Sinking Fund Payment Dates", for the purpose of this Twenty-Ninth Supplemental Indenture only, means the dates specified in *Exhibit A*.

"Mandatory Sinking Fund Payments" means the payments which are required to be made under *Section 3.1* to redeem the Series 2020B Bonds in accordance with the Mandatory Sinking Fund Requirements after appropriate credits, if any, have been made.

"Mandatory Sinking Fund Requirements" means the mandatory sinking fund schedules for the Series 2020B Bonds set forth in *Exhibit A*.

"MSRB" means the Municipal Securities Rulemaking Board. Information to be filed with the MSRB pursuant to the Rule will be submitted through EMMA maintained by the MSRB and accessible at <http://www.emma.msrb.org> or other such other access location as designated by the SEC or the MSRB.

"NRG Stadium Bonds" means the Harris County-Houston Sports Authority Taxable Revenue Refunding Bonds (NRG Stadium Project) Series 2014.

"NRG Stadium Indenture" means the Indenture of Trust, dated as of December 1, 2014, between the Issuer and Amegy Bank National Association relating to the NRG Stadium Bonds.

"Original Indenture" means the Indenture of Trust dated as of August 15, 1998, as amended and restated on May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014, and amended as of October 1, 2020, between the Issuer and the Trustee.

"Participants" mean those broker-dealers, banks and other financial institutions from time to time for which DTC holds Series 2020B Bonds as Depositary.

"Refunded Bonds" for the purpose of this Twenty-Ninth Supplemental Indenture only, means all or a portion of the Issuer's outstanding Senior Lien Revenue Refunding Bonds, Series 2001A, Junior Lien Revenue Bonds, Series 2001H; Senior Lien Revenue Refunding Bonds, Series 2014A; and Second Lien Revenue Refunding Bonds, Series 2014C, as set forth in *Exhibit D* hereto.

"Refunded Interest," for the purpose of this Twenty-Ninth Supplemental Indenture only, means all or a portion of certain interest payments with respect to certain of the Issuer's outstanding Senior Lien Revenue Refunding Bonds, Series 2001A, Junior Lien Revenue Bonds, Series 2001H; Senior Lien Revenue Refunding Bonds, Series 2014A; and Second Lien Revenue Refunding Bonds, Series 2014C, as set forth in *Exhibit D*.

"Refunded Obligations" means for the purpose of this Twenty-Ninth Supplemental Indenture only, the Refunded Bonds and the Refunded Interest.

"Regular Record Date" means with respect to any Interest Payment Date, the last day of the month (whether or not a Business Day) preceding the month in which such Interest Payment Date occurs.

"Reserve Requirement", for the purpose of this Twenty-Ninth Supplemental Indenture and with respect to the Series 2020B Bonds only, shall mean \$_____.

"Rockets Stadium Bonds" means the Harris County-Houston Sports Authority Taxable Revenue Refunding Bonds (Toyota Center Project) Series 2014.

"Rockets Stadium Indenture" means the Indenture of Trust, dated as of December 1, 2014, between the Issuer and The Bank of New York Mellon Trust Company, N.A. relating to the Rockets Stadium Bonds.

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

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

"Series 2020B Bonds" means all Bonds authorized to be issued under this Twenty-Ninth Supplemental Indenture maturing on the dates and issued in the aggregate original principal amounts specified in *Section 2.2(a)*.

"Series 2020B Costs of Issuance Subaccount" for the purpose of this Twenty-Ninth Supplemental Indenture only, shall mean the Series 2020B Costs of Issuance Subaccount established within the Construction Account as provided in *Section 6.1(a)*.

"Series 2020B Credit Agreement" means the Reimbursement and Indemnity Agreement dated as of October 1, 2020, by and between the Issuer and the Series 2020B Credit Provider, as it may be amended and supplemented from time to time. Such Agreement constitutes a "Credit Agreement" as defined in the Original Indenture.

"Series 2020B Credit Provider" means AGM and its successors and assigns, in its capacity as provider of the Bond Insurance Policy (Series 2020B).

"Series 2020B Depository Letter" means the global representation letter from the Issuer and the Trustee to DTC.

"Series 2020B Policy Payments Account" for the purpose of this Twenty-Ninth Supplemental Indenture only, shall mean the Series 2020B Policy Payments Account established within the Senior Lien Debt Service Account as provided in *Section 6.1(a)*.

"Series 2020B Senior Lien Credit Subaccount" for the purpose of this Twenty-Ninth Supplemental Indenture only, shall mean the Series 2020B Senior Lien Credit Subaccount established within the Senior Lien Debt Service Account as provided in *Section 6.1(a)*.

"Series 2020B Senior Lien Debt Service Reserve Subaccount" for the purpose of this Twenty-Ninth Supplemental Indenture only, shall mean the Series 2020B Senior Debt Service Reserve Subaccount established within the Senior Lien Debt Service Reserve Account as provided in *Section 6.1(a)*.

"Series 2020B Senior Lien Interest Subaccount", for the purpose of this Twenty-Ninth Supplemental Indenture only, means the Series 2020B Senior Lien Interest Subaccount established within the Senior Lien Debt Service Account as provided in *Section 6.1(a)*.

"Series 2020B Senior Lien Principal Subaccount", for the purpose of this Twenty-Ninth Supplemental Indenture only, means the Series 2020B Senior Lien Principal Subaccount established within the Senior Lien Debt Service Account as provided in *Section 6.1(a)*.

"Series 2020B Senior Lien Redemption Subaccount", for the purpose of this Twenty-Ninth Supplemental Indenture only, shall mean the Series 2020B Senior Lien Redemption Subaccount established within the Senior Lien Debt Service Account as provided in *Section 6.1(a)*.

"Twenty-Ninth Supplemental Indenture" means this Twenty-Ninth Supplemental Indenture of Trust dated as of October 1, 2020, between the Issuer and the Trustee as such Twenty-Ninth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

* * *

ARTICLE FIVE

TAXABLE BONDS AND ELIGIBLE REVENUES

Section 5.1. *Taxable Bonds.*

The Series 2020B Bonds are issued as Taxable Bonds.

Section 5.2. *Optional Payments.*

The Issuer may use pledged amounts defined as "Revenues" in the NRG Stadium Indenture, to the extent available after the payment of debt service on the NRG Stadium Bonds, or pledged amounts defined as "Revenues" in the Rockets Stadium Indenture, to the extent available after the payment of debt service on the Rockets Stadium Bonds, for the payment of debt service on the Series 2020B Bonds, and the prohibitions against such use for Tax Exempt Bonds does not apply.

* * *

ARTICLE SIX
FUNDS AND ACCOUNTS

Section 6.1. *Establishment of Series 2020B Accounts; Deposit of Series 2020B Bond Proceeds.*

(a) There is hereby established within the Senior Lien Debt Service Account a Series 2020B Senior Lien Interest Subaccount, a Series 2020B Senior Lien Principal Subaccount, a Series 2020B Senior Lien Redemption Subaccount, a Series 2020B Policy Payments Account, and a Series 2020B Senior Lien Credit Subaccount. There is hereby established a Series 2020B Senior Lien Debt Service Reserve Subaccount within the Senior Lien Debt Service Reserve Account. There is hereby established a Series 2020B Costs of Issuance Subaccount within the Construction Account.

Section 6.2. *Debt Service Account.*

In addition and supplemental to the Debt Service Account provisions of the Original Indenture, the following provisions shall govern operation of the Debt Service Account with respect to the Series 2020B Bonds:

(a) Senior Lien Interest Subaccount. The moneys directed to be deposited into the Series 2020B Senior Lien Interest Subaccount pursuant to **Section 6.1(b)(1)**, if any, shall be deposited therein. Prior to the application of any amounts from the Pledged Revenue Account or the Special Revenue Account to pay interest on the Series 2020B Bonds pursuant to **Section 5.4** or **Section 5.2(e)** of the Indenture, the Trustee shall first apply amounts deposited into the Series 2020B Senior Lien Interest Subaccount pursuant to **Section 6.1(b)(1)** to the Series 2020B Senior Lien Interest Subaccount as credits, all as contemplated by and consistent with **Section 5.4** of the Indenture.

(b) Senior Lien Principal Subaccount. All amounts directed to be deposited into the Series 2020B Senior Lien Principal Subaccount pursuant to the Original Indenture or this Twenty-Ninth Supplemental Indenture shall be applied to pay principal on the Series 2020B Bonds as and when due, whether by reason of maturity or Mandatory Sinking Fund Requirements pursuant to **Section 3.1**, or, to the extent provided in the Original Indenture, by reason of redemption prior to stated maturity. There shall be transferred to the Series 2020B Senior Lien Principal Subaccount, monthly, the amount required to be transferred from the Pledged Revenue Account pursuant to **Section 5.4(a)(2)** of the Indenture or the Special Revenue Account pursuant to **Section 5.4(c)** or **Section 5.2(e)** of the Indenture.

In the event the Series 2020B Bonds payable out of the Series 2020B Senior Lien Principal Subaccount on a specific date as aforesaid have been fully paid and excess moneys are on deposit in the Series 2020B Senior Lien Principal Subaccount on that specific date, then such moneys on deposit in the Series 2020B Senior Lien Principal Subaccount on such date shall be applied to Series 2020B Bonds payable out of the Series 2020B Senior Lien Principal Subaccount on the next succeeding date in chronological order. The Series 2020B Bonds shall be paid or redeemed by the Trustee pursuant to the provisions of this paragraph without any notice from or direction by the Issuer.

(c) Senior Lien Redemption Subaccount. All amounts directed to be deposited into the Series 2020B Senior Lien Redemption Subaccount pursuant to the Original Indenture or this Twenty-Ninth Supplemental Indenture to redeem or purchase Series 2020B Bonds shall be so applied.

(d) Senior Lien Credit Subaccount. The Series 2020B Credit Provider is subrogated to the rights of the Owners of the Series 2020B Bonds in the Trust Estate if the Series 2020B Credit Provider makes payments under the Bond Insurance Policy (Series 2020B). **To the extent, however, that such subrogation rights are insufficient to pay to the Series 2020B Credit Provider all amounts owing under the Series 2020B Credit Agreement, then the Trustee, upon written direction of the Series 2020B Credit Provider, shall deposit Revenues to the Series 2020B Senior Lien Credit Subaccount as provided in the Indenture**

and apply amounts held therein upon written direction of the Series 2020B Credit Provider to the satisfaction of such unsubrogated obligations under the Series 2020B Credit Agreement.

(c) Except as expressly provided to the contrary by this Twenty-Ninth Supplemental Indenture, all amounts realized upon investment of amounts on deposit in the Subaccounts within the Debt Service Account established under this Twenty-Ninth Supplemental Indenture shall be applied as provided in the Original Indenture.

Section 6.3. *Series 2020B Costs of Issuance Subaccount.*

In addition and supplemental to the Construction Account provisions of the Original Indenture, the following provisions shall govern operation of the Series 2020B Costs of Issuance Subaccount with respect to the Series 2020B Bonds:

(a) The moneys directed to be deposited in the Series 2020B Costs of Issuance Subaccount by **Section 6.1(b)(3)** hereof, shall be deposited therein. All amounts realized upon investment of amounts on deposit in the Series 2020B Costs of Issuance Subaccount shall be credited to the Series 2020B Costs of Issuance Subaccount.

(b) The Trustee shall disburse funds from the Series 2020B Costs of Issuance Subaccount upon receipt by the Trustee of a requisition certificate of the Issuer Representative directing the disbursement of such funds as provided in **Section 5.3(c)** of the Original Indenture and as attached hereto as *Exhibit B*.

Section 6.4. *Senior Lien Debt Service Reserve Account.*

(a) In addition and supplemental to the Senior Lien Debt Service Reserve Account provisions of the Original Indenture, the provisions of this Section shall govern operation of the Series 2020B Senior Lien Debt Service Reserve Subaccount with respect to the Series 2020B Bonds.

(b) The Debt Service Reserve Account Policy (Series 2020B) shall be provided in an amount equal to the Reserve Requirement for the Series 2020B Bonds. Any proceeds received from the Debt Service Reserve Account Policy (Series 2020B) shall be deposited into the Series 2020B Senior Lien Debt Service Reserve Subaccount and applied as provided in **Article Five** of the Original Indenture to pay principal and interest only on the Series 2020B Bonds, pro rata based on the Debt Service Requirements then due with respect to the Series 2020B Bonds.

(c) In the event that one or more drawings are made upon the Debt Service Reserve Account Policy (Series 2020B), the Debt Service Reserve Account Policy (Series 2020B) Credit Provider shall be paid its fees and expenses as provided in the Debt Service Reserve Account Policy Agreement (Series 2020B), but solely out of the Revenues and the Special Revenues in the manner and at the times provided in **Article Five** of the Original Indenture (including, in particular, **Section 5.4(a)(3)** and **Section 5.2(e)** thereof).

Section 6.5. *Series 2020B Policy Payments Account.*

Any payments under the Bond Insurance Policy (Series 2020B) must be deposited to the Series 2020B Policy Payments Account to pay principal of and interest on the Insured Series 2020B Bonds to the Owners thereof when due, and for no other purpose as provided in **Article Seven**.

* * *

ARTICLE SEVEN

**PAYMENTS UNDER THE BOND INSURANCE
POLICY (SERIES 2020B)**

So long as the Series 2020B Credit Provider is not in default under the Bond Insurance Policy (Series 2020B), the provisions of this Article Seven shall be controlling, notwithstanding anything herein or in the Indenture to the contrary, and further provided that at all times the Series 2020B Credit Provider shall retain its right of subrogation as provided herein.

Section 7.1. *Payments Under Bond Insurance Policy (Series 2020B).*

(a) If, on the third Business Day prior to the Payment Date on the Insured Series 2020B Bonds, there is not on deposit with the Trustee, after the Trustee will have made all transfers and deposits required under the Indenture (particularly *Section 5.6* of the Original Indenture), moneys sufficient to pay the principal and interest on the Insured Series 2020B Bonds due on such Payment Date, the Trustee shall give notice to the Series 2020B Credit Provider and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or teletype of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Insured Series 2020B Bonds due on such Payment Date, the Trustee shall make a claim under the Bond Insurance Policy (Series 2020B) and give notice to the Series 2020B Credit Provider and the Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Insured Series 2020B Bonds and the amount required to pay principal of the Insured Series 2020B Bonds, confirmed in writing to the Series 2020B Credit Provider and the Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Bond Insurance Policy (Series 2020B).

(b) The Trustee shall designate any portion of payment of principal on Insured Series 2020B Bonds paid by the Series 2020B Credit Provider, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured Series 2020B Bonds registered to the then current Owner, whether the Depository or its nominee or otherwise, and the Issuer shall issue, and the Trustee shall authenticate, a replacement Insured Series 2020B Bond (or register such principal amount with the Depository) or in the name of the Series 2020B Credit Provider, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Issuer's or the Trustee's failure or inability to so designate any payment or issue any replacement Insured Series 2020B Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Insured Series 2020B Bond or the subrogation rights of the Series 2020B Credit Provider.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the Series 2020B Credit Provider into the Series 2020B Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Insured Series 2020B Bond. The Series 2020B Credit Provider shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Notwithstanding *Section 5.5(g)(2)* of the Original Indenture, upon payment of a claim under the Bond Insurance Policy (Series 2020B), the Trustee shall establish a separate special purpose trust account for the benefit of Bondowners referred to herein as the "Series 2020B Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Bond Insurance Policy (Series 2020B) in trust on behalf of Bondowners and shall deposit any such amount in the Series 2020B Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners in the same manner as principal and interest payments are to be made with respect to the Insured Series 2020B Bonds under the sections hereof regarding payment of Insured Series 2020B Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Issuer agrees to pay to the Series 2020B Credit Provider (i) a sum equal to the total of all amounts paid by the Series 2020B Credit Provider under the Bond Insurance Policy (Series 2020B) (the "Insurer Advances"); and (ii) interest on such Insurer Advances from the date paid by the Series 2020B Credit Provider until payment thereof in full, payable to the Series 2020B Credit Provider at the Late Payment Rate per annum, less, if any such Insurer Advances represent payments of principal on the Insured Series 2020B Bonds, the amount of interest on the Insured Series 2020B Bonds actually received by the Series 2020B Credit Provider as Bondowner (collectively, the "Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank

at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Insured Series 2020B Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days, and if paid to the Series 2020B Credit Provider as interest on Insurer Advances of principal on the Insured Series 2020B Bonds, will constitute payments of interest on the Insured Series 2020B Bonds to the extent interest has not otherwise been paid. The Issuer hereby covenants and agrees that the Insurer Reimbursement Amounts are secured by a lien on and pledge of the Trust Estate and payable from such Trust Estate on a parity with debt service due on the Insured Series 2020B Bonds. The Issuer further covenants with the Series 2020B Credit Provider and the Trustee that it will not take any action that would cause the Hotel Occupancy Tax and Vehicle Rental Tax not to be imposed while the Insured Series 2020B Bonds remain Outstanding.

(e) Funds held in the Series 2020B Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Series 2020B Policy Payments Account following a Bond Payment Date shall promptly be remitted to the Series 2020B Credit Provider.

(f) The Series 2020B Credit Provider shall, to the extent it makes any payment of principal or interest on the Insured Series 2020B Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Bond Insurance Policy (Series 2020B) (which subrogation rights shall also include the rights of any such recipients in connection with any insolvency proceeding under the Indenture and the Insured Series 2020B Bonds). Each obligation of the Issuer to the Series 2020B Credit Provider under the Corresponding Agreements shall survive discharge or termination of the Corresponding Agreements.

(g) As Bond Service Charges, the Issuer shall pay or reimburse the Series 2020B Credit Provider any and all charges, fees, costs and expenses that the Series 2020B Credit Provider may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in any Corresponding Agreements; (ii) the pursuit of any remedies under the Indenture or any other Corresponding Agreement or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture or any other Corresponding Agreement whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Indenture or any other Corresponding Agreement or the transactions contemplated thereby, other than costs resulting from the failure of the Series 2020B Credit Provider to honor its obligations under the Bond Insurance Policy (Series 2020B). The Series 2020B Credit Provider reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture or any other Corresponding Agreement.

(h) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Issuer or rebate only after the payment of past due and current debt service on the Insured Series 2020B Bonds and amounts required to restore the Series 2020B Senior Lien Debt Service Reserve Subaccount to the Reserve Requirement.

(i) The Series 2020B Credit Provider shall be entitled to pay principal or interest on the Insured Series 2020B Bonds that shall become Due for Payment (as defined in the Bond Insurance Policy (Series 2020B)) but shall be unpaid by reason of Nonpayment (as defined in the Bond Insurance Policy (Series 2020B)) by the Issuer, whether or not the Series 2020B Credit Provider has received a Notice of Nonpayment (as such terms are defined in the Bond Insurance Policy (Series 2020B)) or a claim upon the Bond Insurance Policy (Series 2020B).

(j) The Series 2020B Credit Provider shall be deemed to be the sole holder of the Insured Series 2020B Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Insured Series 2020B Bonds insured by it are entitled to take pursuant to the Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Indenture and each Bond, the Trustee and each Bondowner appoint the Series 2020B Credit Provider as their agent and attorney-in-fact and agree that the Series 2020B Credit Provider may at any time during the continuation of any proceeding by or against the Issuer under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters with respect to the Insured

Series 2020B Bonds relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding with respect to the Insured Series 2020B Bonds (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each Bondowner delegate and assign to the Series 2020B Credit Provider, to the fullest extent permitted by law, the rights of the Trustee and each Bondowner in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. Remedies granted to the Bondowners shall expressly include mandamus.

(k) Amounts paid by the Series 2020B Credit Provider under the Bond Insurance Policy (Series 2020B) shall not be deemed paid for purposes of the Indenture and the Insured Series 2020B Bonds relating to such payments shall remain outstanding and continue to be due and owing until paid by the Issuer in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the Series 2020B Credit Provider have been paid in full or duly provided for.

(l) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Twenty-Ninth Supplemental Indenture or the Indenture would adversely affect the security for the Bonds or the rights of the Bondowners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Bond Insurance Policy (Series 2020B).

* * *

ARTICLE EIGHT

DEBT SERVICE RESERVE ACCOUNT POLICY (SERIES 2020B)

So long as the Debt Service Reserve Account Policy (Series 2020B) Credit Provider is not in default under the Debt Service Reserve Account Policy (Series 2020B), the provisions of this Article Eight shall be controlling, notwithstanding anything herein or in the Indenture to the contrary, and further provided that at all times the Debt Service Reserve Account Policy (Series 2020B) Credit Provider shall retain its right of subrogation as provided herein

Section 8.1. *The Debt Service Reserve Account Policy (Series 2020B).*

(a) The Issuer shall repay any draws under the Debt Service Reserve Account Policy (Series 2020B) and pay all related reasonable expenses incurred by the Debt Service Reserve Account Policy (Series 2020B) Credit Provider and shall pay interest thereon from the date of payment by the Debt Service Reserve Account Policy (Series 2020B) Credit Provider at the Reserve Policy Late Payment Rate. The "Reserve Policy Late Payment Rate" means the lesser of (x) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate solely (the "Reserve Policy Prime Rate") (any change in such Reserve Policy Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Series 2020B Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Reserve Policy Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its prime or base lending rate publicly, the Reserve Policy Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the Debt Service Reserve Account Policy (Series 2020B) Credit Provider shall specify. If the interest provisions of this subparagraph (a) shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the Debt Service Reserve Account Policy (Series 2020B) Credit Provider, with the same force and effect as if the Issuer had specifically designated such extra sums to be so applied and the Debt Service Reserve Account Policy (Series 2020B) Credit Provider had agreed to accept such extra payment(s) as additional interest for such later periods. In no event

shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

Repayment of draws and payment of expenses and accrued interest thereon at the Reserve Policy Late Payment Rate (collectively, "Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to the Debt Service Reserve Account Policy (Series 2020B) Credit Provider shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Debt Service Reserve Account Policy (Series 2020B) Credit Provider on account of principal due, the coverage under the Debt Service Reserve Account Policy (Series 2020B) will be increased by a like amount, subject to the terms of the Debt Service Reserve Account Policy (Series 2020B). The obligation to pay Policy Costs shall be secured by a valid lien on all revenues and other collateral pledged as security for the Series 2020B Bonds (subject only to the priority of payment provisions set forth under the Indenture).

All cash and investments in the Series 2020B Senior Lien Debt Service Reserve Subaccount shall be transferred, first, to the Series 2020B Senior Lien Interest Subaccount to pay all interest due, and second, to the Series 2020B Senior Lien Principal Subaccount, for payment of principal on the Series 2020B Bonds before any drawing may be made on the Debt Service Reserve Account Policy (Series 2020B) or any other credit facility credited to the Series 2020B Senior Lien Debt Service Reserve Subaccount in lieu of cash ("Reserve Credit Facility"). Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Reserve Credit Facilities (including the Debt Service Reserve Account Policy (Series 2020B)) on which there is Available Coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Series 2020B Senior Lien Debt Service Reserve Subaccount. Payment of Policy Costs and reimbursement of amounts with respect to other Reserve Credit Facilities shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Series 2020B Senior Lien Debt Service Reserve Subaccount. For the avoidance of doubt, "Available Coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of subparagraph (a) hereof, the Debt Service Reserve Account Policy (Series 2020B) Credit Provider shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Indenture other than remedies which would adversely affect Owners of the Series 2020B Bonds.

(c) The Indenture shall not be discharged until all Policy Costs owing to the Debt Service Reserve Account Policy (Series 2020B) Credit Provider shall have been paid in full. The Issuer's obligation to pay such amounts shall expressly survive payment in full of the Series 2020B Bonds.

(d) The Issuer shall include any Policy Costs then due and owing the Debt Service Reserve Account Policy (Series 2020B) Credit Provider in the calculation of the additional bonds test and the rate covenant, as applicable, in the Indenture.

(e) The Indenture shall require the Trustee to ascertain the necessity for a claim upon the Debt Service Reserve Account Policy (Series 2020B) in accordance with the provisions of subparagraph (a) hereof and to provide notice to the Debt Service Reserve Account Policy (Series 2020B) Credit Provider in accordance with the terms of the Debt Service Reserve Account Policy (Series 2020B) at least five business days prior to each date upon which interest or principal is due on the Series 2020B Bonds. Where deposits are required to be made by the Issuer with the Trustee to the Series 2020B Senior Lien Debt Service Reserve Subaccount more often than semi-annually, the Trustee shall be instructed to give notice to Debt Service Reserve Account Policy (Series 2020B) Credit Provider of any failure of the Issuer to make timely payment in full of such deposits within two business days of the date due.

(f) The Trustee shall draw on the Debt Service Reserve Account Policy (Series 2020B) in accordance with its terms as provided in *Section 5.6* of the Original Indenture.

* * *

ARTICLE TEN

PLEDGE TO TRUST ESTATE

Section 10.1. *Team Payments Pledged to Trust Estate.*

The Issuer hereby expressly grants, mortgages, grants a security interest in, collaterally assigns, transfers in trust, and pledges to the Trustee on a parity with the pledge of any other Senior Lien Bonds Outstanding from time to time, as part of the Trust Estate the Team Payments (as defined in the Original Indenture) for all purposes under the Indenture, including, in the event of the Issuer's failure to do so, the right of the Issuer to enforce timely imposition and collection of all Team Payments, but solely with respect to the Series 2020B Bonds, which Team Payments shall be Special Revenues with respect to such Series 2020B Bonds as provided in the Original Indenture, and which Special Revenues the Issuer has granted, mortgaged, granted a security interest in, collaterally assigned, transferred in trust, and pledged to the Trustee as part of Granting Clause Fourth in the Original Indenture.

* * *

ARTICLE ELEVEN

MISCELLANEOUS PROVISIONS

Section 11.1. *Defaults and Remedies.*

An Event of Default for Senior Lien Bonds under *Article Ten* of the Original Indenture shall be an event of default under this Twenty-Ninth Supplemental Indenture upon expiration of the notice and cure periods provided for in the Original Indenture. Upon the occurrence of an event of default under this Twenty-Ninth Supplemental Indenture, the Trustee shall be entitled to exercise the same remedies, upon the same conditions and subject to the same restrictions and limitations, as provided for in *Article Ten* of the Original Indenture.

Section 11.2. *The Trustee and Paying Agent.*

The Trustee, as defined in the Original Indenture, is hereby appointed as the Trustee, Bond Registrar, and the Paying Agent, as defined in the Original Indenture, for the Series 2020B Bonds, such appointments being pursuant to, and in all respects consistent with, the provisions of *Article Eleven* of the Original Indenture.

Section 11.3. *Amendments to the Indenture.*

Notwithstanding anything in the Indenture, if any provision of the Indenture, any Supplemental Indenture (including this Twenty-Ninth Supplemental Indenture), or any related document may be amended with the approval of the Owners of a majority in the aggregate principal amount of the then Outstanding Series 2020B Bonds, provided that the Series 2020B Credit Provider is not otherwise in default in its obligations under the Bond Insurance Policy (Series 2020B), such Series 2020B Credit Provider shall have the right to approve such amendment, change or modification as if such Series 2020B Credit Provider were the Owners of a majority in the aggregate principal amount of the then Outstanding Series 2020B Bonds.

Provided that the Series 2020B Credit Provider is not otherwise in default with respect to its payment obligations under the Bond Insurance Policy (Series 2020B), no amendment to the Indenture affecting the rights or

interests of the Owners of the Series 2020B Bonds or of the Series 2020B Credit Provider shall be made without the consent of the Series 2020B Credit Provider.

The Trustee may rely on the opinion of Independent Counsel as to whether any amendment affects Bondowners or the Series 2020B Credit Provider.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

THIRTIETH SUPPLEMENTAL INDENTURE OF TRUST

THIS THIRTIETH SUPPLEMENTAL INDENTURE OF TRUST (the "*Thirtieth Supplemental Indenture*") is made and entered into as of October 1, 2020, by and between the HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a political subdivision of Harris County, Texas, Houston, Texas, and the State of Texas duly organized and existing under the Constitution and laws of the State of Texas (the "*Issuer*"), and UMB BANK, NATIONAL ASSOCIATION, a national banking association, authorized to accept and execute trusts of the character herein set out, with a payment office in Kansas City, Missouri (the "*Trustee*");

* * *

NOW THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS, THIS THIRTIETH SUPPLEMENTAL INDENTURE WITNESSETH:

The Issuer, in consideration of the premises and the acceptance by the Trustee of the trusts created hereby and by the Indenture and of the purchase and acceptance of the Series 2020C Bonds by the Owners thereof, in order to provide a source of payment for and to secure the payment of the principal of, premium, if any, and interest on the Series 2020C Bonds according to their tenor and effect, the payment of all amounts due and owing to the Series 2020C Credit Provider, and the performance and observance by the Issuer of all the covenants expressed or implied in the Indenture and herein and in the Series 2020C Bonds, does hereby grant, mortgage, grant a security interest in, assign, transfer in trust, and pledge to the Trustee, and to its successors in trust, and to them and their assigns forever, the following:

FIRST

All of the Trust Estate as described and pledged pursuant to the Indenture, in accordance with the terms of the Indenture;

SECOND

The Bond Insurance Policy (Series 2020C) and all amounts received thereunder; provided, that the Bond Insurance Policy (Series 2020C) and all amounts received thereunder or in connection therewith shall constitute a source of payment solely and exclusively for the Insured Series 2020C Bonds provided as herein and in such Bond Insurance Policy (Series 2020C), and the amounts received thereunder or in connection therewith shall not be deemed part of the Trust Estate with respect to any other Series of Bonds from time to time Outstanding under the Indenture; and

THIRD

The Series 2020C Second Lien Debt Service Reserve Subaccount and all amounts held thereunder or in connection therewith; provided, that the Series 2020C Second Lien Debt Service Reserve Subaccount and all amounts held thereunder or in connection therewith shall constitute a source of payment solely and exclusively for the Series 2020C Bonds, and the amounts received thereunder or in connection therewith shall not be deemed part of the Trust Estate with respect to any other Series of Bonds from time to time Outstanding under the Indenture;

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby granted and assigned, or agreed or intended so to be, to the Trustee and its successors in trust and to them and their assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all Owners from time to time of the Bonds issued under and secured by the Indenture and the Credit Providers, without privilege, priority or distinction as to lien or otherwise of any of the Bonds over any other Bonds except as otherwise provided in the Original Indenture, any other Supplemental Indenture or herein with respect to certain security or sources of payment for certain of the Series 2020C Bonds, except for those portions of the Trust Estate described in Granting Clauses Second and Third, which shall constitute a source

of payment solely and exclusively for the Series 2020C Bonds, and the amounts received thereunder or in connection therewith shall not be deemed part of the Trust Estate with respect to any other Series of Bonds from time to time Outstanding under the Indenture;

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, or provide fully for payment as herein provided of the principal of the Series 2020C Bonds and the interest due or to become due thereon (together with premium, if any), at the time and in the manner set forth in the Series 2020C Bonds according to the true intent and meaning thereof, and shall make the payments into the Second Lien Debt Service Account as required under the Indenture or shall provide, as permitted by the Indenture, for the payment thereof by depositing with the Trustee sums sufficient for payment of the entire amount due or to become due thereon as therein provided, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Indenture to be kept, performed and observed by it, and shall pay to the Trustee, the Series 2020C Credit Provider, all sums of money due or to become due to them in accordance with the terms and provisions hereof and of the Original Indenture, then this Thirtieth Supplemental Indenture and all provisions of the Indenture applicable to the Series 2020C Bonds and the rights thereby granted shall cease, terminate and be void except as otherwise provided herein; otherwise, the Indenture shall be and remain in full force and effect with respect to the Series 2020C Bonds.

UNDER THE PROVISIONS OF THE ENABLING ACT AND THE INDENTURE AS HEREBY AMENDED AND SUPPLEMENTED, the Series 2020C Bonds and any other obligations hereunder may be payable from and are a charge upon only the Revenues, Special Revenues, and Trust Estate pledged to the payment thereof and no Owner or Owners of the Bonds shall ever have the right to compel any exercise of the taxing power of the Issuer to pay any Series 2020C Bonds or the interest and premium, if any, thereon, or to enforce payment thereof against any property of the Issuer, except with respect to Revenues and the Special Revenues to the extent pledged hereby and by the Indenture and the Series 2020C Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the Issuer, except as provided in the Indenture and herein, and the Enabling Act provides that under no circumstances shall any Series 2020C Bond or other obligation of the Issuer be or become an indebtedness or obligation of the State of Texas, Harris County, Texas or the City of Houston, Texas or any other political subdivision of or municipality within the State, nor shall any such Series 2020C Bond or obligation be or become an indebtedness of the Issuer within the purview of any constitutional limitation or provision, but nothing in the Enabling Act impairs the rights of Owners of Series 2020C Bonds issued under the Original Indenture and this Thirtieth Supplemental Indenture to enforce the covenants made for the security thereof as provided in the Original Indenture and this Thirtieth Supplemental Indenture and in the Enabling Act and the Issuer and the Trustee mutually covenant and agree, to the extent specifically provided herein, for the benefit of all Owners of all series of Bonds as follows:

* * *

ARTICLE ONE

DEFINITIONS, EXHIBITS AND GENERAL PROVISIONS

Section 1.2. *Additional Definitions Applicable to this Thirtieth Supplemental Indenture.*

In this Thirtieth Supplemental Indenture, the following terms have the following meanings unless the context hereof clearly requires otherwise:

“AGM” means Assured Guaranty Municipal Corp.

“Bond Insurance Policy (Series 2020C)” means the municipal bond insurance policy issued by AGM and designated as Policy Number _____ insuring the payment when due of the principal of and interest on the Insured Series 2020C Bonds as provided therein.

“Bondowner,” for the purposes of this Twenty-Fourth Supplemental Indenture only, means the person in whose name a Series 2020C Bond is registered in the Bond Register.

“Corresponding Agreements,” for the purposes of this Thirtieth Supplemental Indenture only, means the Bond Insurance Policy (Series 2020C), the Series 2020C Credit Agreement, this Thirtieth Supplemental Indenture, and the Original Indenture.

“DTC” mean Depository Trust Company, New York, New York, as Depository for the Bonds, and its successors and assigns.

“EMMA” means the Electronic Municipal Market Access website.

“Escrow Agent”, for the purpose of this Thirtieth Supplemental Indenture only, means UMB Bank, National Association, and its successors in such capacity.

“Escrow Agreement”, for the purpose of this Twenty-Fifth Supplemental Indenture only, means the Escrow Agreement, dated as of October 1, 2020, between the Issuer and the Trustee as Escrow Agent, for the refunding of the Refunded Obligations.

“Indenture” means the Original Indenture, as amended and supplemented by supplemental indentures, including this Thirtieth Supplemental Indenture, and as further supplemented and amended from time to time.

“Insured Series 2020C Bonds” means the Series 2020C Bonds.

“Interest Payment Dates” means May 15 and November 15 of each year commencing May 15, 2021.

“Mandatory Sinking Fund Payment Dates”, for the purpose of this Thirtieth Supplemental Indenture only, means the dates specified in *Exhibit A*.

“Mandatory Sinking Fund Payments” means the payments which are required to be made under *Section 3.1* to redeem the Series 2020C Bonds in accordance with the Mandatory Sinking Fund Requirements after appropriate credits, if any, have been made.

“Mandatory Sinking Fund Requirements” means the mandatory sinking fund schedules for the Series 2020C Bonds set forth in *Exhibit A*.

“MSRB” means the Municipal Securities Rulemaking Board. Information to be filed with the MSRB pursuant to the Rule will be submitted through EMMA maintained by the MSRB and accessible at <http://www.emma.msrb.org> or other such other access location as designated by the SEC or the MSRB.

“NRG Stadium Bonds” means the Harris County-Houston Sports Authority Taxable Revenue Refunding Bonds (NRG Stadium Project) Series 2014.

“NRG Stadium Indenture” means the Indenture of Trust, dated as of December 1, 2014, between the Issuer and Amegy Bank National Association relating to the NRG Stadium Bonds.

“Original Indenture” means the Indenture of Trust dated as of August 15, 1998, as amended and restated on May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014, and as amended as of October 1, 2020, between the Issuer and the Trustee.

“Participants” mean those broker-dealers, banks and other financial institutions from time to time for which DTC holds Series 2020C Bonds as Depository.

"Refunded Bonds" for the purpose of this Thirtieth Supplemental Indenture only, means all or a portion of the Issuer's outstanding Senior Lien Revenue Refunding Bonds, Series 2001A, Junior Lien Revenue Bonds, Series 2001H; Senior Lien Revenue Refunding Bonds, Series 2014A; and Second Lien Revenue Refunding Bonds, Series 2014C, as set forth in *Exhibit D* hereto.

"Refunded Interest," for the purpose of this Thirtieth Supplemental Indenture only, means all or a portion of certain interest payments with respect to certain of the Issuer's outstanding Senior Lien Revenue Refunding Bonds, Series 2001A, Junior Lien Revenue Bonds, Series 2001H; Senior Lien Revenue Refunding Bonds, Series 2014A; and Second Lien Revenue Refunding Bonds, Series 2014C, if any, as set forth in *Exhibit D*.

"Refunded Obligations" means for the purpose of this Thirtieth Supplemental Indenture only, the Refunded Bonds and the Refunded Interest.

"Regular Record Date" means with respect to any Interest Payment Date, the last day of the month (whether or not a Business Day) preceding the month in which such Interest Payment Date occurs.

"Reserve Requirement", for the purpose of this Thirtieth Supplemental Indenture and with respect to the Series 2020C Bonds only, shall mean \$ _____.

"Rockets Stadium Bonds" means the Harris County-Houston Sports Authority Taxable Revenue Refunding Bonds (Toyota Center Project) Series 2014.

"Rockets Stadium Indenture" means the Indenture of Trust, dated as of December 1, 2014, between the Issuer and The Bank of New York Mellon Trust Company, N.A. relating to the Rockets Stadium Bonds.

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

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

"Series 2020C Bonds" means all Bonds authorized to be issued under this Thirtieth Supplemental Indenture maturing on the dates and issued in the aggregate original principal amounts specified in *Section 2.2(a)*.

"Series 2020C Costs of Issuance Subaccount" for the purpose of this Thirtieth Supplemental Indenture only, shall mean the Series 2020C Costs of Issuance Subaccount established within the Construction Account as provided in *Section 6.1(a)*.

"Series 2020C Credit Agreement" means the Reimbursement and Indemnity Agreement dated as of October 1, 2020, by and between the Issuer and the Series 2020C Credit Provider, as it may be amended and supplemented from time to time. Such Agreement constitutes a "Credit Agreement" as defined in the Original Indenture.

"Series 2020C Credit Provider" means AGM and its successors and assigns, in its capacity as provider of the Bond Insurance Policy (Series 2020C).

"Series 2020C Depository Letter" means the global representation letter from the Issuer and the Trustee to DTC.

"Series 2020C Policy Payments Account" for the purpose of this Thirtieth Supplemental Indenture only, shall mean the Series 2020C Policy Payments Account established within the Second Lien Debt Service Account as provided in *Section 6.1(a)*.

"Series 2020C Second Lien Credit Subaccount" for the purpose of this Thirtieth Supplemental Indenture only, shall mean the Series 2020C Second Lien Credit Subaccount established within the Second Lien Debt Service Account as provided in *Section 6.1(a)*.

"Series 2020C Second Lien Debt Service Reserve Subaccount", for the purpose of this Thirtieth Supplemental Indenture only, means the Series 2020C Second Lien Debt Service Reserve Subaccount established within the Second Lien Debt Service Reserve Account as provided in *Section 6.1(a)*.

"Series 2020C Second Lien Interest Subaccount", for the purpose of this Thirtieth Supplemental Indenture only, means the Series 2020C Second Lien Interest Subaccount established within the Second Lien Debt Service Account as provided in *Section 6.1(a)*.

"Series 2020C Second Lien Principal Subaccount", for the purpose of this Thirtieth Supplemental Indenture only, means the Series 2020C Second Lien Principal Subaccount established within the Second Lien Debt Service Account as provided in *Section 6.1(a)*.

"Series 2020C Second Lien Redemption Subaccount", for the purpose of this Thirtieth Supplemental Indenture only, shall mean the Series 2020C Second Lien Redemption Subaccount established within the Second Lien Debt Service Account as provided in *Section 6.1(a)*.

"Thirtieth Supplemental Indenture" means this Thirtieth Supplemental Indenture of Trust dated as of October 1, 2020, between the Issuer and the Trustee as such Thirtieth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

* * *

ARTICLE FIVE

COVENANTS TO MAINTAIN STATUS OF TAX EXEMPT BONDS

Section 5.1 *Taxable Bonds.*

The Series 2020C Bonds are issued as Taxable Bonds.

Section 5.5. *Optional Payments.*

The Issuer may use pledged amounts defined as "Revenues" in the NRG Stadium Indenture, to the extent available after the payment of debt service on the NRG Stadium Bonds, or pledged amounts defined as "Revenues" in the Rockets Stadium Indenture, to the extent available after the payment of debt service on the Rockets Stadium Bonds, for the payment of debt service on the Series 2020C Bonds, and the prohibitions against such use for Tax Exempt Bonds does not apply.

* * *

ARTICLE SIX

FUNDS AND ACCOUNTS

Section 6.1. *Establishment of Series 2020C Accounts; Deposit of Series 2020C Bond Proceeds.*

(a) There is hereby established within the Second Lien Debt Service Account a Series 2020C Second Lien Interest Subaccount, a Series 2020C Second Lien Principal Subaccount, and a Series 2020C Second Lien Redemption Subaccount, a Series 2020C Policy Payments Account, and a Series 2020C Second Lien Credit Subaccount. There is hereby established a Series 2020C Second Lien Debt Service Reserve Subaccount within the Second Lien Debt Service Reserve Account. There is hereby established a Series 2020C Costs of Issuance Subaccount within the Construction Account.

Section 6.2. *Debt Service Account.*

In addition and supplemental to the Debt Service Account provisions of the Original Indenture, the following provisions shall govern operation of the Debt Service Account with respect to the Series 2020C Bonds:

(a) Second Lien Interest Subaccount. The moneys directed to be deposited into the Series 2020C Second Lien Interest Subaccount pursuant to *Section 6.1(b)(1)*, if any, shall be deposited therein. Prior to the application of any amounts from the Second Lien Debt Service Revenue Holding Account, Pledged Revenue Account, or the Special Revenue Account to pay interest on the Series 2020C Bonds pursuant to *Section 5.4* or *Section 5.2(e)* of the Indenture, the Trustee shall first apply amounts deposited into the Series 2020C Second Lien Interest Subaccount pursuant to *Section 6.1(b)(1)* to the Series 2020C Second Lien Interest Subaccount as credits, all as contemplated by and consistent with *Section 5.4* of the Indenture.

(b) Second Lien Principal Subaccount. All amounts directed to be deposited into the Series 2020C Second Lien Principal Subaccount pursuant to the Original Indenture or this Thirtieth Supplemental Indenture shall be applied to pay principal on the Series 2020C Bonds as and when due, whether by reason of maturity or Mandatory Sinking Fund Requirements pursuant to *Section 3.1*, or to the extent provided in the Original Indenture, by reason of redemption prior to stated maturity. There shall be transferred to the Series 2020C Second Lien Principal Subaccount, monthly, the amount required to be transferred from the Pledged Revenue Account pursuant to *Section 5.4(a)(10)* of the Indenture or the Special Revenue Account pursuant to *Section 5.4(d)* or *Section 5.2(e)* of the Indenture.

In the event the Series 2020C Bonds payable out of the Series 2020C Second Lien Principal Subaccount on a specific date as aforesaid have been fully paid and excess moneys are on deposit in the Series 2020C Second Lien Principal Subaccount on that specific date, then such moneys on deposit in the Series 2020C Second Lien Principal Subaccount on such date shall be applied to Series 2020C Bonds payable out of the Series 2020C Second Lien Principal Subaccount on the next succeeding date in chronological order. The Series 2020C Bonds shall be paid or redeemed by the Trustee pursuant to the provisions of this paragraph without any notice from or direction by the Issuer.

(c) Second Lien Redemption Subaccount. All amounts directed to be deposited into the Series 2020C Second Lien Redemption Subaccount pursuant to the Original Indenture or this Thirtieth Supplemental Indenture to redeem or purchase Series 2020C Bonds shall be so applied.

(d) Second Lien Credit Subaccount. The Series 2020C Credit Provider is subrogated to the rights of the Owners of the Series 2020C Bonds in the Trust Estate if the Series 2020C Credit Provider makes payments under the Bond Insurance Policy (Series 2020C). **To the extent, however, that such subrogation rights are insufficient to pay to the Series 2020C Credit Provider all amounts owing under the Series 2020C Credit Agreement, then the Trustee, upon written direction of the Series 2020C Credit Provider, shall deposit Revenues to the Series 2020C Second Lien Credit Subaccount as provided in the Indenture and apply amounts held therein upon written direction of the Series 2020C Credit Provider to the satisfaction of such unsubrogated obligations under the Series 2020C Credit Agreement.**

(e) Except as expressly provided to the contrary by this Thirtieth Supplemental Indenture, all amounts realized upon investment of amounts on deposit in the Subaccounts within the Debt Service Account established under this Thirtieth Supplemental Indenture shall be applied as provided in the Original Indenture.

Section 6.3. *Series 2020C Costs of Issuance Subaccount.*

In addition and supplemental to the Construction Account provisions of the Original Indenture, the following provisions shall govern operation of the Series 2020C Costs of Issuance Subaccount with respect to the Series 2020C Bonds:

(a) The moneys directed to be deposited in the Series 2020C Costs of Issuance Subaccount by *Section 6.1(b)(3)* hereof, shall be deposited therein. All amounts realized upon investment of amounts on deposit in the Series 2020C Costs of Issuance Subaccount shall be credited to the Series 2020C Costs of Issuance Subaccount.

(b) The Trustee shall disburse funds from the Series 2020C Costs of Issuance Subaccount upon receipt by the Trustee of a requisition certificate of the Issuer Representative directing the disbursement of such funds as provided in *Section 5.3(c)* of the Original Indenture and as attached hereto as *Exhibit B*.

Section 6.4. *Second Lien Debt Service Reserve Account.*

(a) In addition and supplemental to the Second Lien Debt Service Reserve Account provisions of the Original Indenture, the provisions of this Section shall govern operation of the Series 2020C Second Lien Debt Service Reserve Subaccount with respect to the Series 2020C Bonds.

(b) Upon the initial delivery of the Series 2020C Bonds, there shall be deposited to the Series 2020C Second Lien Debt Service Reserve Subaccount an amount equal to the Reserve Requirement. Amounts in the Series 2020C Second Lien Debt Service Reserve Subaccount shall be applied as provided in *Article Five* of the Original Indenture to pay principal and interest only on the Series 2020C Bonds.

(c) Notwithstanding anything in the Indenture, the provisions of this Section governing application of the Series 2020C Second Lien Debt Service Reserve Subaccount shall survive the discharge of this Thirtieth Supplemental Indenture until all the Series 2020C Bonds are no longer Outstanding or until the Issuer by Supplemental Indenture has provided for the continued application of the Series 2020C Second Lien Debt Service Reserve Subaccount as provided herein.

Section 6.5. *Series 2020C Policy Payments Account.*

Any payments under the Bond Insurance Policy (Series 2020C) must be deposited to the Series 2020C Policy Payments Account to pay principal of and interest on the Insured Series 2020C Bonds to the Owners thereof when due, and for no other purpose as provided in *Article Seven*.

* * *

ARTICLE SEVEN

**PAYMENTS UNDER THE BOND INSURANCE
POLICY (SERIES 2020C)**

So long as the Series 2020C Credit Provider is not in default under the Bond Insurance Policy (Series 2020C), the provisions of this Article Seven shall be controlling, notwithstanding anything herein or in the Indenture to the contrary, and further provided that at all times the Series 2020C Credit Provider shall retain its right of subrogation as provided herein.

Section 7.1. *Payments Under Bond Insurance Policy (Series 2020C).*

(a) If, on the third Business Day prior to the Payment Date on the Insured Series 2020C Bonds, there is not on deposit with the Trustee, after the Trustee will have made all transfers and deposits required under the Indenture (particularly *Section 5.7* of the Original Indenture), moneys sufficient to pay the principal and interest on the Insured Series 2020C Bonds due on such Payment Date, the Trustee shall give notice to the Series 2020C Credit Provider and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Insured Series 2020C Bonds due on such Payment Date, the Trustee shall make a claim under the Bond Insurance Policy (Series 2020C) and give notice to the Series 2020C Credit Provider and the Insurer's Fiscal Agent (if any) by

telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Insured Series 2020C Bonds and the amount required to pay principal of the Insured Series 2020C Bonds, confirmed in writing to the Series 2020C Credit Provider and the Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Bond Insurance Policy (Series 2020C).

(b) The Trustee shall designate any portion of payment of principal on Insured Series 2020C Bonds paid by the Series 2020C Credit Provider, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured Series 2020C Bonds registered to the then current Owner, whether the Depository or its nominee or otherwise, and the Issuer shall issue, and the Trustee shall authenticate, a replacement Insured Series 2020C Bond (or register such principal amount with the Depository) or in the name of the Series 2020C Credit Provider, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Issuer's or the Trustee's failure or inability to so designate any payment or issue any replacement Insured Series 2020C Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Insured Series 2020C Bond or the subrogation rights of the Series 2020C Credit Provider.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the Series 2020C Credit Provider into the Series 2020C Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Insured Series 2020C Bond. The Series 2020C Credit Provider shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Notwithstanding *Section 5.8(g)(2)* of the Original Indenture, upon payment of a claim under the Bond Insurance Policy (Series 2020C), the Trustee shall establish a separate special purpose trust account for the benefit of Bondowners referred to herein as the "Series 2020C Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Bond Insurance Policy (Series 2020C) in trust on behalf of Bondowners and shall deposit any such amount in the Series 2020C Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners in the same manner as principal and interest payments are to be made with respect to the Insured Series 2020C Bonds under the sections hereof regarding payment of Insured Series 2020C Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Issuer agrees to pay to the Series 2020C Credit Provider (i) a sum equal to the total of all amounts paid by the Series 2020C Credit Provider under the Bond Insurance Policy (Series 2020C) (the "Insurer Advances"); and (ii) interest on such Insurer Advances from the date paid by the Series 2020C Credit Provider until payment thereof in full, payable to the Series 2020C Credit Provider at the Late Payment Rate per annum, less, if any such Insurer Advances represent payments of principal on the Insured Series 2020C Bonds, the amount of interest on the Insured Series 2020C Bonds actually received by the Series 2020C Credit Provider as Bondowner (collectively, the "Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Insured Series 2020C Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days, and if paid to the Series 2020C Credit Provider as interest on Insurer Advances of principal on the Insured Series 2020C Bonds, will constitute payments of interest on the Insured Series 2020C Bonds to the extent interest has not otherwise been paid. The Issuer hereby covenants and agrees that the Insurer Reimbursement Amounts are secured by a lien on and pledge of the Trust Estate and payable from such Trust Estate on a parity with debt service due on the Insured Series 2020C Bonds. The Issuer further covenants with the Series 2020C Credit Provider and the Trustee that it will not take any action that would cause the Hotel Occupancy Tax and Vehicle Rental Tax not to be imposed while the Insured Series 2020C Bonds remain Outstanding.

(e) Funds held in the Series 2020C Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Series 2020C Policy Payments Account following a Bond Payment Date shall promptly be remitted to the Series 2020C Credit Provider.

(f) The Series 2020C Credit Provider shall, to the extent it makes any payment of principal of or interest on the Insured Series 2020C Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Bond Insurance Policy (Series 2020C) (which subrogation rights shall also include the rights of any such recipients in connection with any insolvency proceeding under the Indenture and the Insured Series 2020C Bonds). Each obligation of the Issuer to the Series 2020C Credit Provider under the Corresponding Agreements shall survive discharge or termination of the Corresponding Agreements.

(g) As Bond Service Charges, the Issuer shall pay or reimburse the Series 2020C Credit Provider any and all charges, fees, costs and expenses that the Series 2020C Credit Provider may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in any Corresponding Agreements; (ii) the pursuit of any remedies under the Indenture or any other Corresponding Agreement or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture or any other Corresponding Agreement whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Indenture or any other Corresponding Agreement or the transactions contemplated thereby, other than costs resulting from the failure of the Series 2020C Credit Provider to honor its obligations under the Bond Insurance Policy (Series 2020C). The Series 2020C Credit Provider reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture or any other Corresponding Agreement.

(h) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Issuer or rebate only after the payment of past due and current debt service on the Insured Series 2020C Bonds and amounts required to restore the Series 2020C Second Lien Debt Service Reserve Subaccount to the Reserve Requirement.

(i) The Series 2020C Credit Provider shall be entitled to pay principal or interest on the Insured Series 2020C Bonds that shall become Due for Payment (as defined in the Bond Insurance Policy (Series 2020C)) but shall be unpaid by reason of Nonpayment (as defined in the Bond Insurance Policy (Series 2020C)) by the Issuer, whether or not the Series 2020C Credit Provider has received a Notice of Nonpayment (as such terms are defined in the Bond Insurance Policy (Series 2020C)) or a claim upon the Bond Insurance Policy (Series 2020C).

(j) The Series 2020C Credit Provider shall be deemed to be the sole holder of the Insured Series 2020C Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Insured Series 2020C Bonds insured by it are entitled to take pursuant to the Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Indenture and each Bond, the Trustee and each Bondowner appoint the Series 2020C Credit Provider as their agent and attorney-in-fact and agree that the Series 2020C Credit Provider may at any time during the continuation of any proceeding by or against the Issuer under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters with respect to the Insured Series 2020C Bonds relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding with respect to the Insured Series 2020C Bonds (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each Bondowner delegate and assign to the Series 2020C Credit Provider, to the fullest extent permitted by law, the rights of the Trustee and each Bondowner in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. Remedies granted to the Bondowners shall expressly include mandamus.

(k) Amounts paid by the Series 2020C Credit Provider under the Bond Insurance Policy (Series 2020C) shall not be deemed paid for purposes of the Indenture and the Insured Series 2020C Bonds relating to such payments shall remain outstanding and continue to be due and owing until paid by the Issuer in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the Series 2020C Credit Provider have been paid in full or duly provided for.

(l) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Thirtieth Supplemental Indenture or the Indenture would adversely affect the security for the

Bonds or the rights of the Bondowners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Bond Insurance Policy (Series 2020C).

* * *

ARTICLE TEN

PLEDGE TO TRUST ESTATE

Section 10.1. *Team Payments Pledged to Trust Estate.*

The Issuer hereby expressly grants, mortgages, grants a security interest in, collaterally assigns, transfers in trust, and pledges to the Trustee on a basis subordinate to the pledge of the Senior Lien Bonds, and on a parity with the pledge of any other Second Lien Bonds Outstanding from time to time, as part of the Trust Estate the Team Payments (as defined in the Original Indenture) for all purposes under the Indenture, including, in the event of the Issuer's failure to do so, the right of the Issuer to enforce timely imposition and collection of all Team Payments, but solely with respect to the Series 2020C Bonds, which Team Payments shall be Special Revenues with respect to such Series 2020C Bonds as provided in the Original Indenture, and which Special Revenues the Issuer has granted, mortgaged, granted a security interest in, collaterally assigned, transferred in trust, and pledged to the Trustee as part of Granting Clause Fourth in the Original Indenture.

* * *

ARTICLE ELEVEN

MISCELLANEOUS PROVISIONS

Section 11.1. *Defaults and Remedies.*

An Event of Default for Second Lien Bonds under *Article Ten* of the Original Indenture shall be an event of default under this Thirtieth Supplemental Indenture upon expiration of the notice and cure periods provided for in the Original Indenture. Upon the occurrence of an event of default under this Thirtieth Supplemental Indenture, the Trustee shall be entitled to exercise the same remedies, upon the same conditions and subject to the same restrictions and limitations, as provided for in *Article Ten* of the Original Indenture.

Section 11.2. *The Trustee and Paying Agent.*

The Trustee, as defined in the Original Indenture, is hereby appointed as the Trustee, Bond Registrar, and the Paying Agent, as defined in the Original Indenture, for the Series 2020C Bonds, such appointments being pursuant to, and in all respects consistent with, the provisions of *Article Eleven* of the Original Indenture.

Section 11.3. *Amendments to the Indenture.*

Notwithstanding anything in the Indenture, if any provision of the Indenture, any Supplemental Indenture (including this Thirtieth Supplemental Indenture), or any related document may be amended with the approval of the Owners of a majority in the aggregate principal amount of the then Outstanding Series 2020C Bonds, provided that the Series 2020C Credit Provider is not otherwise in default in its obligations under the Bond Insurance Policy (Series 2020C), such Series 2020C Credit Provider shall have the right to approve such amendment, change or modification as if such Series 2020C Credit Provider were the Owners of a majority in the aggregate principal amount of the then Outstanding Series 2020C Bonds.

Provided that the Series 2020C Credit Provider is not otherwise in default with respect to its payment obligations under the Bond Insurance Policy (Series 2020C), no amendment to the Indenture affecting the rights or

interests of the Owners of the Series 2020C Bonds or of the Series 2020C Credit Provider shall be made without the consent of the Series 2020C Credit Provider.

The Trustee may rely on the opinion of Independent Counsel as to whether any amendment affects Bondowners or the Series 2020C Credit Provider.

* * *

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

THIRTY-FIRST SUPPLEMENTAL INDENTURE OF TRUST

THIS THIRTY-FIRST SUPPLEMENTAL INDENTURE OF TRUST (the "*Thirty-First Supplemental Indenture*") is made and entered into as of October 1, 2020, by and between the HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a political subdivision of Harris County, Texas, Houston, Texas, and the State of Texas duly organized and existing under the Constitution and laws of the State of Texas (the "*Issuer*"), and UMB BANK, NATIONAL ASSOCIATION, authorized to accept and execute trusts of the character herein set out, with a payment office in Kansas City, Missouri (the "*Trustee*");

NOW THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS, THIS THIRTY-FIRST SUPPLEMENTAL INDENTURE WITNESSETH:

* * *

ARTICLE ONE DEFINITIONS, EXHIBITS AND GENERAL PROVISIONS

Section 1.1 *Definitions Generally.*

All terms capitalized but not otherwise defined in this Thirty-First Supplemental Indenture shall have the meanings assigned to such terms in the Indenture.

* * *

ARTICLE TWO AMENDMENTS TO INDENTURE

1. Section 2.1 *Amendment of the Indenture*

The Indenture is hereby amended as specified in the following Sections of this Article.

Section 2.1 *Addition of the Revenue Recycling Account to the Trust Estate*

The following granting clause to the Trust Estate is hereby added following granting clause NINE:

TEN

All right, title, and interest of the Issuer, now owned or hereafter acquired, in and to the money deposited or required to be deposited in the Revenue Recycling Account subject to the application and termination of such Account provided herein;

Section 2.2 *Definitions*

The following definitions are hereby added or revised for clarity in *Section 1.1* in alphabetical order:

"*Astros Payments*" or "*Team Payments*" means the Basic Rentals received by the Issuer pursuant to and as defined in that certain Stadium Lease Agreement dated June 17, 1998, as amended through the date

of the Twenty-Seventh Supplemental Indenture of Trust, between the Issuer and Houston Astros LLC, formerly Houston McLane Company, Inc. (the "Astros"), and the Royalty Payment received by the Issuer pursuant to and as defined in the License Agreement dated June 17, 1998, as amended through the date of the Twenty-Seventh Supplemental Indenture of Trust, between the Issuer and the Astros.

"*Revenue Recycling Account*" means the Account of that name created by **Section 5.1** hereby.

"*Series 2020A Bonds*" means those Bonds which are issued under the Twenty-Eighth Supplemental Indenture.

"*Series 2020B Bonds*" means those Bonds which are issued under the Twenty-Ninth Supplemental Indenture.

"*Series 2020C Bonds*" means those Bonds which are issued under the Thirtieth Supplemental Indenture.

"*Thirtieth Supplemental Indenture*" means the Thirtieth Supplemental Indenture of Trust dated as of October 1, 2020, between the Issuer and the trustee, as such Thirtieth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

"*Twenty-Eighth Supplemental Indenture*" means the Twenty-Eighth Supplemental Indenture of Trust dated as of October 1, 2020, between the Issuer and the trustee, as such Twenty-Eighth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

"*Twenty-Ninth Supplemental Indenture*" means the Twenty-Ninth Supplemental Indenture of Trust dated as of October 1, 2020, between the Issuer and the trustee, as such Twenty-Ninth Supplemental Indenture may, simultaneously or from time to time, be amended or supplemented.

Section 2.3 *Creation of the Revenue Recycling Account in Section 5.1(b)*

Section 5.1(b)(14.1) below is hereby added to **Section 5.1(b)** immediately following **Section 5.1(b)(14)** and immediately preceding **Section 5.1(b)(15)**.

(14.1) the Revenue Recycling Account;

Section 2.4 *Amendment and Restatement of Section 5.2(f)*

Section 5.2(f) below is hereby amended and restated as follows:

(f) If Astros Payments are deposited to the credit of any of the Senior Lien Principal Subaccounts, Senior Lien Interest Subaccounts, Second Lien Principal Subaccounts, Second Lien Interest Subaccounts, Junior Lien Interest Subaccounts, or Junior Lien Principal Subaccounts for a corresponding Series of the Taxable Senior Lien Bonds, Taxable Second Lien Bonds, or Taxable Junior Lien Bonds, and corresponding amounts of Revenues and amounts from the Revenue Recycling Account in such amounts have previously been deposited to the Senior Lien Principal Subaccounts, Senior Lien Interest Subaccounts, Second Lien Debt Service Revenue Holding Account, or Junior Lien Debt Service Revenue Holding Account for such Series of Bonds, and if such Accounts or Subaccounts are otherwise fully funded as of the date of the deposit of Astros Payments under subsection (e), then the Trustee shall release such previously deposited amounts from such Accounts or Subaccounts for deposit to the Pledged Revenue Account immediately upon deposit of the Astros Payments.

Section 2.5 *Amendment of Section 5.4(a)*

Section 5.4(a)(28) is hereby amended and restated as shown below.

(28) quarterly in advance commencing on December 1 of each year (with the first quarterly distribution on June 1, 2001), to the General and Administrative Account in an amount equal to one-quarter of the Annual Budgeted General and Administrative Amount in each Bond Year until equal to the Annual Budgeted General and Administrative Amount, or monthly to the extent of any shortfall in such payments;

provided that if the Series 2004 Bonds maturing in the year 2032 are then Outstanding Bonds, for the Bond Year ending in 2032, Revenues must be deposited to any Third Lien Bonds Subaccount or other debt service account established with respect to any Third Lien Bond as provided in *Subsection (a)(29)* of this Section to pay principal, interest, and other amounts to be due on such Series 2004 Bonds maturing in 2032, and that only after Revenues are deposited to such Third Lien Bond accounts are Revenues available for deposit to the General and Administrative Account, so that for such Bond Year ending in 2032, *Subsection (a)(29)* will for all purposes precede *Subsection (a)(28)*.

Section 5.4(a)(29.1) below is hereby added to *Section 5.4(a)* immediately following *Section 5.4(a)(29)* and immediately preceding *Section 5.4(a)(30)*. *Section 5.4(a)(29.1)* will terminate and have no effect on and after June 15, 2024, and thereafter will be deleted from the Indenture.

(29.1) prior to June 15, 2024, to the Revenue Recycling Account, 100% of the remaining Revenues after the above deposits; and then

Section 2.6 *Addition of Revenue Recycling Account to Article Five*

Section 5.161 below is hereby added to *Article Five* immediately following *Section 5.16* and immediately preceding *Section 5.17*.

Section 5.161 Revenue Recycling Account.

(a) Prior to June 15, 2024, on the same dates and immediately before the application of amounts in the Astros Payment Subaccount pursuant to *Section 5.2(e)* and the application of the amounts in the Pledged Revenue Account pursuant to *Section 5.4*, all amounts in the Revenue Recycling Account will be applied in the amounts and pursuant to the order of priority in *Section 5.4*.

(b) On June 15, 2024, all amounts in the Revenue Recycling Account shall be applied as follows:

(1) provided that National Insured Bonds are then Outstanding, to the National Insured Bonds Debt Service Reserve Account to bring the balance in such Account to \$10,000,000 if such balance is less than \$10,000,000; and then

(2) provided that National Insured Bonds are then Outstanding the remaining balance to the Debt Repayment Account; and then

(3) as otherwise provided in *Section 5.4(a)(33)-(34)*.

Upon such final application of funds in the Revenue Recycling Account on June 15, 2024, this *Section 5.161* will terminate and have no effect on and after June 15, 2024, and thereafter will be deleted from this Indenture.

(c) Prior to June 15, 2024, this Section may be amended with the written consent of AGM and National, and without the consent of any holder of Outstanding Bonds; provided that such amendment will not materially prejudice any non-consenting Owner of a Bond for which such Designated Credit Providers are not obligated under a Credit Facility for such Bonds.

Section 2.7 *Amendment and Restatement of Section 5.18*

Section 5.18 is hereby amended and restated with the following:

Prior to June 15, 2024, the Issuer may, but is not obligated, to apply amounts in the Debt Repayment Account, at its written direction (and election), to either repay, redeem, purchase and retire, economically defease with the approval of National, or defease the following bonds: the Series 2001H Bonds and Series 2004A Bonds.

On June 15, 2024 and thereafter, within twelve months after the balance in the Debt Repayment Account reaches \$5,000,000, amounts in the Debt Repayment Account must be applied at the written direction (and election) of the Issuer to either repay, redeem, purchase and retire, economically defease with the approval of National, or defease the following bonds (in minimum increments from time to time of \$500,000 and until the Debt Repayment Account balance is reduced to \$2,500,000 or a lower level to be mutually acceptable to the Issuer and National, notice of which shall be given to the Trustee): the Series 2001H Bonds, Series 2004A Bonds, or the Series 2001C-2 Note. Payments on the Series 2001C-2 Note may be made as they become due without National approval, but payments can only be made prior to their due date with National approval. No money may be applied from the Debt Repayment Account until it reaches a balance from time to time of \$5,000,000 without the approval of National, except that if less than \$5,000,000 of the obligations that may be repaid from the Debt Repayment Account are outstanding, then the Issuer may direct (at its election) that the amount required to repay, redeem, purchase and retire, economically defease with the approval of National, or defease such outstanding obligations will be so applied.

At National's written direction, amounts in the Debt Repayment Account may be allocated to refill the National Insured Bonds Debt Service Reserve Account, if the National Insured Bonds Debt Service Reserve Account balance is less than \$10,000,000. Whenever (a) the Series 2001H Bonds and the Series 2004A Bonds are paid, or, at the election of the Issuer, redeemed, purchased and retired, economically defeased with the approval of National, or defeased, (b) there are no Credit Provider Reimbursements with respect thereto remaining unpaid and (c) the Series 2001C-2 Note is paid or provided for, then the Trustee at the written direction of the Issuer shall transfer any amount remaining in the Debt Repayment Account to the County Repayment Account unless the Series C-1 Note is then paid or provided for, in which case to the Surplus Account.

ARTICLE THREE MISCELLANEOUS PROVISIONS

Section 3.1 *Severability.*

If any provision of this Thirty-First Supplemental Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions or in all cases because it conflicts with any other provisions of any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or paragraphs in this Thirty-First Supplemental Indenture contained shall not affect the remaining portions of this Thirty-First Supplemental Indenture or any part thereof.

Section 3.2 *Counterparts.*

This Thirty-First Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

APPENDIX E
FORMS OF CO-BOND COUNSEL OPINIONS

NORTON ROSE FULBRIGHT US LLP
1301 McKinney, Suite 5100
Houston, Texas 77010

THE HARDWICK LAW FIRM, LLC
2929 Allen Parkway, Suite 200
Houston, Texas 77019

_____, 2020

WE HAVE ACTED as co-bond counsel in connection with the issuance by the Harris County-Houston Sports Authority (the "Authority") of its Senior Lien Revenue Refunding Bonds, Series 2020A (the "Series 2020A Bonds") in the aggregate principal amount of \$ _____.

IN RENDERING THE OPINIONS herein we have examined and relied on relevant provisions of the laws of the United States of America and the State of Texas; an executed Series 2020A Bond; original or certified copies of the proceedings had in connection with issuance of the Series 2020A Bonds, including a resolution adopted by the Board of Directors of the Authority on September 27, 2020 (the "Resolution"), and a Fourth Amended and Restated Indenture of Trust dated as of August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014, and amended as of October 1, 2020 by a Thirty-First Supplemental Indenture of Trust, and additional supplements thereto, including a Twenty-Eighth Supplemental Indenture thereto dated as of October 1, 2020 (collectively, as amended and supplemented, the "Indenture"), between the Authority and UMB Bank National Association, in its capacity as successor trustee; reports of Samuel Klein and Company, independent certified public accountants; an Escrow Agreement with respect to Bonds refunded with the proceeds of the Series 2020A Bonds; certain certifications and representations of the Authority relating to the use and investment of proceeds of the Series 2020A Bonds and certain other funds of the Authority and other material facts within its knowledge and control; and other documentation as we deem relevant. We have acted as co-bond counsel for the sole purpose of rendering opinions with respect to the legality and validity of the Series 2020A Bonds and the effectiveness of the Resolution and the Indenture under the Constitution and laws of the State of Texas and the status of the interest on the Series 2020A Bonds under federal income tax law. We have not been requested to examine, and have not investigated or verified, any original proceedings, records, data, or other material, but have relied upon the transcript of certified proceedings. We have not assumed any responsibility with respect to the financial condition or capabilities of the Authority or the disclosure thereof in connection with the issuance of the Series 2020A Bonds. Terms used herein which are not otherwise defined have the meanings assigned to them in the Indenture.

BASED UPON SUCH EXAMINATION, we are of the opinion, that, under applicable law of the State of Texas in force and effect on the date hereof:

1. The Series 2020A Bonds are legal, valid, and binding special obligations of the Authority payable from the sources, and enforceable in accordance with the terms and conditions, described therein, and entitled to the benefits of the Indenture, and the principal and redemption price of and interest on the Series 2020A Bonds, together with its outstanding Senior Lien Bonds and any additional Senior Lien Bonds hereafter issued on a parity therewith pursuant to the Indenture, are payable from a pledge of and lien on the Trust Estate.

2. The Authority has duly adopted the Resolution and has duly authorized, executed, and delivered the Indenture which is in full force and effect and which constitutes a legal, valid, and binding obligation of the Authority enforceable in accordance with its terms.

3. The Indenture creates the valid pledge of and lien on the Trust Estate which the Indenture purports to create, subject only to the provisions of the Indenture permitting the application of the Trust Estate for the purposes and on the terms and conditions set forth in the Indenture.

The opinions set forth in paragraphs 1, 2, and 3 above with respect to the Series 2020A Bonds, the Resolution, and the Indenture are limited to the extent that the enforceability thereof may be affected or limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights or the exercise of judicial discretion in accordance with general principles of equity.

IT IS FURTHER OUR OPINION, based upon the foregoing, that pursuant to the Internal Revenue Code of 1986, as amended and in force on the date hereof (the "Code"), and existing regulations, published rulings, and court decisions thereunder, assuming continuing compliance with the provisions of the Indenture relating to sections 141 through 150 of the Code and the provisions of certain agreements relating to the facilities refinanced with proceeds of the Series 2020A Bonds, interest on the Series 2020A Bonds for federal income tax purposes is excludable from the gross income, as defined in section 61 of the Code, of the owners thereof pursuant to section 103 of the Code, and such interest will not be included for federal income tax purposes in computing the alternative minimum taxable income of the owners thereof.

WE EXPRESS NO OTHER OPINION with respect to any other federal, state, or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Series 2020A Bonds. Ownership of tax-exempt obligations such as the Series 2020A Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, "S" corporations with "subchapter C" earnings and profits, certain foreign corporations doing business in the United States, individual recipients of Social Security or Railroad Retirement benefits, taxpayers otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations.

THE INDENTURE PROVIDES THAT prior to taking certain actions the Authority must have received an opinion of nationally recognized bond counsel to the effect that such action will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series 2020A Bonds (an "Opinion of Bond Counsel"). We express no opinion as to the effect on the exclusion from gross income for federal income tax purposes of interest on the Series 2020A Bonds on and after the taking of any action under the Indenture which requires that the Authority shall have received an Opinion of Bond Counsel, as such Opinion of Bond Counsel must be rendered in connection with such action and is dependent upon the occurrence of certain events in the future.

OUR OPINIONS are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

[THIS PAGE INTENTIONALLY LEFT BLANK]

NORTON ROSE FULBRIGHT US LLP
1301 McKinney, Suite 5100
Houston, Texas 77010

THE HARDWICK LAW FIRM, LLC
2929 Allen Parkway, Suite 200
Houston, Texas 77019

_____, 2020

WE HAVE ACTED as co-bond counsel in connection with the issuance by the Harris County-Houston Sports Authority (the "Authority") of its Taxable Senior Lien Revenue Refunding Bonds, Series 2020B (the "Series 2020B Bonds") in the aggregate principal amount of \$.

IN RENDERING THE OPINIONS herein we have examined and relied on relevant provisions of the laws of the United States of America and the State of Texas; an executed Series 2020B Bond; original or certified copies of the proceedings had in connection with issuance of the Series 2020B Bonds, including a resolution adopted by the Board of Directors of the Authority on September 27, 2020 (the "Resolution"), and a Fourth Amended and Restated Indenture of Trust dated as of August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014, and amended as of October 1, 2020 by a Thirty-First Supplemental Indenture of Trust, and additional supplements thereto, including a Twenty-Ninth Supplemental Indenture thereto dated as of October 1, 2020 (collectively, as amended and supplemented, the "Indenture"), between the Authority and UMB Bank National Association, in its capacity as successor trustee; reports of Samuel Klein and Company, independent certified public accountants; an Escrow Agreement with respect to Bonds refunded with the proceeds of the Series 2020B Bonds; certain certifications and representations of the Authority relating to the use and investment of proceeds of the Series 2020B Bonds and certain other funds of the Authority and other material facts within its knowledge and control; and other documentation as we deem relevant. We have acted as co-bond counsel for the sole purpose of rendering opinions with respect to the legality and validity of the Series 2020B Bonds and the effectiveness of the Resolution and the Indenture under the Constitution and laws of the State of Texas. We have not assumed any responsibility with respect to the financial condition or capabilities of the Authority or the disclosure thereof in connection with the issuance of the Series 2020B Bonds. Terms used herein which are not otherwise defined have the meanings assigned to them in the Indenture.

BASED UPON SUCH EXAMINATION, we are of the opinion, that, under applicable law of the State of Texas in force and effect on the date hereof:

1. The Series 2020B Bonds are legal, valid, and binding special obligations of the Authority payable from the sources, and enforceable in accordance with the terms and conditions, described therein, and entitled to the benefits of the Indenture, and the principal and redemption price of and interest on the Series 2020B Bonds, together with its outstanding Senior Lien Bonds and any additional Senior Lien Bonds hereafter issued on a parity therewith pursuant to the Indenture, are payable from a pledge of and lien on the Trust Estate.

2. The Authority has duly adopted the Resolution and has duly authorized, executed, and delivered the Indenture which is in full force and effect and which constitutes a legal, valid, and binding obligation of the Authority enforceable in accordance with its terms.

3. The Indenture creates the valid pledge of and lien on the Trust Estate which the Indenture purports to create, subject only to the provisions of the Indenture permitting the application of the Trust Estate for the purposes and on the terms and conditions set forth in the Indenture.

The opinions set forth in paragraphs 1, 2, and 3 above with respect to the Series 2020B Bonds, the Resolution, and the Indenture are limited to the extent that the enforceability thereof may be affected or limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights or the exercise of judicial discretion in accordance with general principles of equity.

OUR OPINIONS are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

NORTON ROSE FULBRIGHT US LLP
1301 McKinney, Suite 5100
Houston, Texas 77010

THE HARDWICK LAW FIRM, LLC
2929 Allen Parkway, Suite 200
Houston, Texas 77019

_____, 2020

WE HAVE ACTED as co-bond counsel in connection with the issuance by the Harris County-Houston Sports Authority (the "Authority") of its Second Lien Revenue Refunding Bonds, Series 2020C (the "Series 2020C Bonds") in the aggregate principal amount of \$ _____.

IN RENDERING THE OPINIONS herein we have examined and relied on relevant provisions of the laws of the United States of America and the State of Texas; an executed Series 2020C Bond; original or certified copies of the proceedings had in connection with issuance of the Series 2020C Bonds, including a resolution adopted by the Board of Directors of the Authority on September 27, 2020 (the "Resolution"), and a Fourth Amended and Restated Indenture of Trust dated as of August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014, and amended as of October 1, 2020 by a Thirty-First Supplemental Indenture of Trust, and additional supplements thereto, including a Thirtieth Supplemental Indenture thereto dated as of October 1, 2020 (collectively, as amended and supplemented, the "Indenture"), between the Authority and UMB Bank National Association, in its capacity as successor trustee; reports of Samuel Klein and Company, independent certified public accountants; an Escrow Agreement with respect to Bonds refunded with the proceeds of the Series 2020C Bonds; certain certifications and representations of the Authority relating to the use and investment of proceeds of the Series 2020C Bonds and certain other funds of the Authority and other material facts within its knowledge and control; and other documentation as we deem relevant. We have acted as co-bond counsel for the sole purpose of rendering opinions with respect to the legality and validity of the Series 2020C Bonds and the effectiveness of the Resolution and the Indenture under the Constitution and laws of the State of Texas. We have not assumed any responsibility with respect to the financial condition or capabilities of the Authority or the disclosure thereof in connection with the issuance of the Series 2020C Bonds. Terms used herein which are not otherwise defined have the meanings assigned to them in the Indenture.

BASED UPON SUCH EXAMINATION, we are of the opinion, that, under applicable law of the State of Texas in force and effect on the date hereof:

1. The Series 2020C Bonds are legal, valid, and binding special obligations of the Authority payable from the sources, and enforceable in accordance with the terms and conditions, described therein, and entitled to the benefits of the Indenture, and the principal and redemption price of and interest on the Series 2020C Bonds, together with any additional Second Lien Bonds hereafter issued on a parity therewith pursuant to the Indenture, are payable from a pledge of and lien on the Trust Estate.
2. The Authority has duly adopted the Resolution and has duly authorized, executed, and delivered the Indenture which is in full force and effect and which constitutes a legal, valid, and binding obligation of the Authority enforceable in accordance with its terms.

3. The Indenture creates the valid pledge of and lien on the Trust Estate which the Indenture purports to create, subject only to the provisions of the Indenture permitting the application of the Trust Estate for the purposes and on the terms and conditions set forth in the Indenture.

The opinions set forth in paragraphs 1, 2, and 3 above with respect to the Series 2020C Bonds, the Resolution, and the Indenture are limited to the extent that the enforceability thereof may be affected or limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights or the exercise of judicial discretion in accordance with general principles of equity.

OUR OPINIONS are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

APPENDIX F

SPECIMEN OF BOND INSURANCE POLICY



MUNICIPAL BOND INSURANCE POLICY

ISSUER:

BONDS: \$ in aggregate principal amount of

Policy No: -N

Effective Date:

Premium: \$

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AGM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the

United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By _____ Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.
1633 Broadway, New York, N.Y. 10019
(212) 974-0100

APPENDIX G

BOOK-ENTRY ONLY SYSTEM

This Appendix G describes how ownership of the Series 2020 Bonds is to be transferred and how the principal of premium, if any, and interest on the Series 2020 Bonds are to be paid to and credited by The Depository Trust Company, New York, New York ("DTC") while the Series 2020 Bonds are registered in its nominee name. The information in this Appendix G concerning DTC and the book-entry-only system has been provided by DTC for use in disclosure documents such as this Official Statement. The Sports Authority, the Financial Advisor and the Underwriters believe the source of such information to be reliable, but none of the Sports Authority, the Financial Advisor nor the Underwriters take any responsibility for the accuracy or completeness thereof and such information is not to be construed as a representation by any of the Sports Authority, the Financial Advisor or the Underwriters.

The Sports Authority and the Underwriters cannot and do not give any assurance that (i) DTC will distribute payments of debt service on the Series 2020 Bonds, or redemption or other notices, to DTC Participants, (ii) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Series 2020 Bonds), 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 the Official Statement. The current rules applicable to DTC are on file with the SEC, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC. Termination of the DTC book-entry-only system by the Sports Authority may require consent of the Participants under DTC Operational Arrangements.

DTC will act as securities depository for the Series 2020 Bonds. The Series 2020 Bonds 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 Series 2020 Bond will be issued for each maturity of each series of the Series 2020 Bonds, as set forth on pages i and ii hereof, in the aggregate principal amount of 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 Series 2020 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2020 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2020 Obligation ("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 Series 2020 Bonds 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 Series 2020 Bonds, except in the event that use of the book-entry system for the Series 2020 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2020 Bonds 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 Series 2020 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2020 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2020 Bonds 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 the Series 2020 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2020 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2020 Bonds documents. For example, Beneficial Owners of the Series 2020 Bonds may wish to ascertain that the nominee holding the Series 2020 Bonds 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 Trustee and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2020 Bonds 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.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2020 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Sports Authority 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 the Series 2020 Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

All payments on the Series 2020 Bonds 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 Sports Authority or the Trustee 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 nor its nominee, the Trustee, or the Sports Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. All payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) are the responsibility of the Sports Authority or the Trustee, 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 Series 2020 Bonds at any time by giving reasonable notice to the Sports Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series 2020 Bonds certificates are required to be printed and delivered.

The Sports Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2020 Bonds will be printed and delivered to DTC.



EXHIBIT E-2
FORM OF OFFICIAL STATEMENT
(see Tab 11)

OFFICIAL STATEMENT**Dated September 30, 2020**

NEW ISSUES — BOOK-ENTRY ONLY

RATINGS: See “RATINGS” herein

The delivery of the Series 2020A Bonds is subject to the opinions of Co-Bond Counsel to the effect that, assuming continuing compliance by the Sports Authority after the date of such opinions with certain covenants described herein and subject to the matters described in “TAX MATTERS — TAX-EXEMPT BONDS,” interest on the Series 2020A Bonds is excludable from gross income for federal income tax purposes under existing law and is not includable in the computation of alternative minimum taxable income of the owners thereof. See “TAX MATTERS — TAX-EXEMPT BONDS” herein for a discussion of the opinions of Co-Bond Counsel. Interest on the Series 2020B Bonds and the Series 2020C Bonds will not be excluded from gross income for federal income tax purposes. See “TAX MATTERS — TAXABLE BONDS.”

**\$112,165,000****HARRIS COUNTY-HOUSTON SPORTS
AUTHORITY****\$52,035,000****Senior Lien Revenue Refunding Bonds,
Series 2020A****\$34,265,000****Taxable Senior Lien Revenue Refunding Bonds,
Series 2020B****\$25,865,000****Taxable Second Lien Revenue Refunding Bonds, Series 2020C**

Interest Accrual Date: Date of Delivery

CUSIP No. Prefix: 413890

Due: November 15, as shown herein

The captioned Senior Lien Revenue Refunding Bonds, Series 2020A (the “Series 2020A Bonds”), Taxable Senior Lien Revenue Refunding Bonds, Series 2020B (the “Series 2020B Bonds”) and Taxable Second Lien Revenue Refunding Bonds, Series 2020C, (the “Series 2020C Bonds,” together with the Series 2020A Bonds and the Series 2020B Bonds, the “Series 2020 Bonds”) will be issued as fully-registered obligations by the Harris County-Houston Sports Authority (the “Sports Authority”). The Series 2020 Bonds are being issued pursuant to an Indenture of Trust, as supplemented (as more particularly described herein, the “Indenture”), between the Sports Authority and UMB Bank, National Association, as trustee (the “Trustee”). Capitalized terms used on the cover page hereof and not otherwise defined shall have the meaning assigned thereto as described in “INTRODUCTION” herein.

The Sports Authority, with the assistance of Wells Fargo Securities, as dealer manager, released an “Invitation to Offer Bonds made by Harris County-Houston Sports Authority” dated September 8, 2020 (the “Tender Offer”) inviting owners of certain bonds of the Sports Authority described herein to tender such bonds for purchase by the Sports Authority. The purchase of tendered bonds will be funded by the Series 2020A Bonds. See PURPOSE AND PLAN OF FINANCE- Background, Tender and Purpose - Tender Offer” and “SCHEDULE I — Refunded Obligations and Tendered Bonds.”

The proceeds of the Series 2020A Bonds, will be used to (i) purchase bonds tendered pursuant to the Tender Offer; (ii) purchase a bond insurance policy and a reserve fund surety policy for the Series 2020A Bonds, and (iii) pay costs of issuance relating to the Series 2020A Bonds and to pay the costs the costs of the Tender Offer, all as more particularly described herein. The proceeds of the Series 2020B Bonds, will be used to (i) refund certain interest payments with respect to certain outstanding bonds of the Sports Authority (the “Series 2020B Refunded Interest”) and refund certain outstanding bonds of the Sports Authority (the “Series 2020B Refunded Bonds”) as more particularly described herein; (ii) purchase a bond insurance policy and a reserve fund surety policy for the Series 2020B Bonds, and (iii) pay costs of issuance relating to the Series 2020B Bonds and pay the costs of refunding the Series 2020B Refunded Interest and Series 2020B Refunded Bonds, all as more particularly described herein. Proceeds from the Series 2020C Bonds will be used to (i) refund certain interest payments with respect to certain outstanding bonds of the Sports Authority (the “Series 2020C Refunded Interest”) and refund certain outstanding bonds of the Sports Authority (the “Series 2020C Refunded Bonds”) as more particularly described herein; (ii) fund a debt service reserve fund for the Series 2020C Bonds, (iii) purchase a bond insurance policy for the Series 2020C Bonds, and (iv) pay costs of issuance relating to the Series 2020C Bonds and to pay the costs of refunding Series 2020C Refunded Interest and refunding the Series 2020C Refunded Bonds, all as more particularly described herein. See “SCHEDULE I — Refunded Obligations and Tendered Bonds” and “PURPOSE AND PLAN OF FINANCE” and “SOURCES AND USES OF FUNDS.”

The Series 2020 Bonds will accrue interest from the Date of Delivery, and interest will be payable on each May 15 and November 15, commencing May 15, 2021 and will be calculated on the basis of a 360-day year of twelve 30-day months. The Series 2020 Bonds are initially issuable only to Cede & Co., the nominee of The Depository Trust Company, New York, New York (“DTC”), pursuant to the book-entry only system described herein. The Series 2020 Bonds will initially be available for purchasers only in book-entry form, and such purchasers will not receive certificates representing their beneficial ownership therein. Beneficial ownership may be acquired in principal denominations of \$5,000, or any integral multiple thereof. See “DESCRIPTION OF THE SERIES 2020 BONDS.”

The Series 2020 Bonds, together with certain outstanding and additional parity obligations, are secured by a lien on the Trust Estate created under the Indenture. The Trust Estate includes all of the Sports Authority’s right, title and interest in and to the Revenues (as defined herein), the Astros Payments and certain other moneys and accounts, all as more fully described herein. The liens on the Revenues and the Astros Payments securing the Series 2020C Bonds are subordinate to the liens on the Revenues and the Astros Payments securing the Outstanding Senior Lien Bonds, the Series 2020A Bonds and the Series 2020B Bonds and any Additional Senior Lien Bonds, if and when issued. See “SECURITY FOR THE SERIES 2020 BONDS.” The Series 2020 Bonds are subject to optional redemption prior to maturity and mandatory sinking fund redemption as described herein. See “DESCRIPTION OF THE SERIES 2020 BONDS — Redemption.”

THE SERIES 2020 BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE SPORTS AUTHORITY AND ARE NOT OBLIGATIONS OF HARRIS COUNTY, THE CITY OF HOUSTON, THE STATE OF TEXAS OR ANY OTHER POLITICAL SUBDIVISION THEREOF. EXCEPT FOR THE LIMITED SPECIAL TAX REVENUES INCLUDED WITHIN THE REVENUES, THE OWNERS OF THE SERIES 2020 BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT OF ANY BOND OUT OF ANY FUNDS RAISED OR TO BE RAISED BY TAXATION. THE SPORTS AUTHORITY HAS NO AD VALOREM TAXING POWER.

The scheduled payment of principal of and interest on the Series 2020 Bonds when due will be guaranteed under separate insurance policies to be issued concurrently with the delivery of the Series 2020 Bonds by ASSURED GUARANTY MUNICIPAL CORP. (the “2020 Insurer or “AGM”). See “BOND INSURANCE,” herein.



This cover page is not a summary of the Series 2020 Bonds. Potential investors must read the entire Official Statement to obtain information essential to making an informed investment decision. Investment in the Series 2020 Bonds is subject to certain investment considerations. See “INVESTMENT CONSIDERATIONS” herein.

See page i for maturity schedules, interest rates, initial yields and CUSIP numbers

The Series 2020 Bonds are offered by the Underwriters listed below when, as and if issued by the Sports Authority and accepted by the Underwriters, subject to the approval of the Attorney General of the State of Texas and the approval of certain legal matters by Norton Rose Fulbright US LLP, and The Hardwick Law Firm Houston, Texas, Co-Bond Counsel. Certain legal matters will be passed upon for the Sports Authority by its general counsel, Hunton Andrews Kurth LLP, Houston, Texas, and by Orrick Herrington & Sutcliffe LLP, Houston, Texas and The Law Office of Wendy Montoya Cloonan, PLLC, Houston, Texas, Special Disclosure Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Bracewell LLP, Houston, Texas, and West & Associates L.L.P., Houston, Texas. The Series 2020 Bonds are expected to be available for initial delivery to the Underwriters and credited through DTC on or about October 9, 2020 (“Date of Delivery”).

Wells Fargo Securities**Estrada Hinojosa****Morgan Stanley**

MATURITY SCHEDULE

SERIES 2020A BONDS

\$52,035,000 3.125% Term Bonds due November 15, 2056^{(a)(b)}, Priced to Yield 3.290%^(c), CUSIP No. 413890GD0^(d)

(Interest to accrue from Date of Delivery)

SERIES 2020B BONDS (TAXABLE)

\$ 34,265,000 3.710% Term Bonds due November 15, 2056^{(a)(b)}, Priced to Yield 3.809%^(c), CUSIP No. 413890GE8^(d)

(Interest to accrue from Date of Delivery)

SERIES 2020C BONDS (TAXABLE)

\$ 25,865,000 3.860% Term Bonds due November 15, 2040^{(a)(b)}, Priced to Yield 4.009%^(c), CUSIP No. 413890GF5^(d)

(Interest to accrue from Date of Delivery)

^(a) On November 15, 2030, and on any date thereafter, the Authority shall have the option of calling the Series 2020 Bonds maturing thereafter for redemption prior to maturity, in whole or in part, for an amount equal to the accrued interest thereon from the most recent Interest Payment Date to the date fixed for redemption. See “DESCRIPTION OF THE SERIES 2020 BONDS –Redemption.”

^(b) The Term Bonds are subject to mandatory redemption on November 15 in the years and the amounts set forth herein. See “DESCRIPTION OF THE SERIES 2020 BONDS –Redemption.”

^(c) The initial yields are established by and are the sole responsibility of the Underwriters, and may subsequently be changed.

^(d) CUSIP numbers have been assigned to this issue by the CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association, and are included solely for the convenience of the purchasers of the Bonds. Neither the Authority, the Financial Advisor, nor the Underwriters shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.

USE OF INFORMATION IN OFFICIAL STATEMENT

No dealer, broker, salesman, or other person has been authorized by the Sports Authority or the Underwriters of the Series 2020 Bonds to give any information or to make any representation other than those contained in this Official Statement, including the Schedules and Appendices hereto, and, if given or made, such other information or representation must not be relied upon as having been authorized by the Sports Authority or the Underwriters of the Series 2020 Bonds. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2020 Bonds by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale. This Official Statement is submitted in connection with the sale of the Series 2020 Bonds and in no instance may this Official Statement be reproduced or used for any other purpose.

THIS OFFICIAL STATEMENT, INCLUDING THE SCHEDULES AND APPENDICES HERETO, IS INTENDED TO REFLECT FACTS AND CIRCUMSTANCES ON THE DATE OF THIS OFFICIAL STATEMENT OR ON SUCH OTHER DATE OR AT SUCH OTHER TIME AS IDENTIFIED HEREIN. NO ASSURANCE CAN BE GIVEN THAT SUCH INFORMATION WILL NOT BE MISLEADING AT A LATER DATE. CONSEQUENTLY, RELIANCE ON THIS OFFICIAL STATEMENT AT TIMES SUBSEQUENT TO THE ISSUANCE OF THE SERIES 2020 BONDS DESCRIBED HEREIN SHOULD NOT BE MADE ON THE ASSUMPTION THAT ANY SUCH FACTS OR CIRCUMSTANCES ARE UNCHANGED.

NONE OF THE SPORTS AUTHORITY, THE UNDERWRITERS OR THE FINANCIAL ADVISOR MAKE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT REGARDING THE DEPOSITORY TRUST COMPANY (“DTC”) OR ITS BOOK-ENTRY-ONLY SYSTEM, AS SUCH INFORMATION WAS FURNISHED BY DTC. THE UNDERWRITERS OF THE SERIES 2020 BONDS HAVE PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT. THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, THEIR RESPECTIVE RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

THE PRICE AND OTHER TERMS RESPECTING THE OFFERING AND SALE OF THE SERIES 2020 BONDS MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS AFTER THE SERIES 2020 BONDS ARE RELEASED FOR SALE AND THE SERIES 2020 BONDS MAY BE OFFERED AND SOLD AT PRICES OTHER THAN THE INITIAL OFFERING PRICE, INCLUDING SALES TO DEALERS WHO MAY SELL SUCH SERIES 2020 BONDS INTO INVESTMENT ACCOUNTS. IN CONNECTION WITH THE OFFERING OF THE SERIES 2020 BONDS, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2020 BONDS AT A LEVEL ABOVE THOSE THAT MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

No registration statement relating to the Series 2020 Bonds has been filed with the United States Securities and Exchange Commission under the Securities Act of 1933, as amended, in reliance upon an exemption provided thereunder. The Series 2020 Bonds have not been registered or qualified under the Securities Act of the State of Texas in reliance upon various exemptions contained therein, nor have the Series 2020 Bonds been registered or qualified under the securities laws of any other jurisdiction. The Sports Authority assumes no responsibility for the registration or qualification for sale or other disposition of the Series 2020 Bonds under the securities laws of any jurisdiction in which the Series 2020 Bonds may be offered, sold or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Series 2020 Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions.

Assured Guaranty Municipal Corp. (“AGM”) makes no representation regarding the Series 2020 Bonds or the advisability of investing in the Series 2020 Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading “BOND INSURANCE” and “APPENDIX F — SPECIMEN OF BOND INSURANCE POLICY.”

The Sports Authority has appointed UMB Bank, National Association, as the Trustee, Bond Registrar and Paying Agent under the Indenture. The obligations and duties of the Trustee are as described in the Indenture. The Trustee has not evaluated the risks, benefits or propriety of any investment in the Series 2020 Bonds, and makes no representation, and has reached no conclusions, regarding the validity of the Series 2020 Bonds, the security therefor, the adequacy of the provisions for payment thereof or the tax status of the interest on the Series 2020 Bonds. The Trustee has not participated in the preparation of this Official Statement and has no responsibility or liability therefor. The Trustee has relied upon the opinions of Co-Bond Counsel for the validity and tax status of the interest on the Series 2020 Bonds as well as with respect to the other matters set out in those opinions. Furthermore, the Trustee has no oversight responsibility, and is not accountable, for the use or application of the proceeds of the Series 2020 Bonds by the Sports Authority or for the use or application of any money paid over by the Trustee in accordance with the provisions of the Indenture.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE SERIES 2020 BONDS AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES AUTHORITY 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.

The statements contained in this Official Statement, and in other information provided by the Sports Authority, that are not purely historical, are forward-looking statements, including statements regarding the Sports Authority's expectations, hopes, intentions or strategies regarding the future. All forward-looking statements included in this Official Statement are based on information available to the Sports Authority on the date hereof, and the Sports Authority assumes no obligation to update any such forward-looking statements. See "INVESTMENT CONSIDERATIONS — Forward-Looking Statements."

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this final official statement for purposes of, and as that term is defined in, Securities and Exchange Commission Rule 15c2-12.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
INFECTIOUS DISEASE OUTBREAK - COVID-19	2
APPROVED VENUE PROJECTS	3
PURPOSE AND PLAN OF FINANCE	3
Background, Tender and Purpose	3
Bond Insurance and Debt Service Reserve Account Credit Facilities	4
Outstanding Bonds	5
Schedule 1 — Outstanding Bonds	6
Subordinate Obligations of the Sports Authority	6
Refunded Obligations	6
SOURCES AND USES OF FUNDS	8
DESCRIPTION OF THE SERIES 2020 BONDS	8
General	8
Payment, Transfers and Exchanges	8
Redemption	9
Notice of Redemption	11
Trustee	11
DESCRIPTION OF PLEDGED REVENUES	12
Hotel Occupancy Tax	12
Hotel Occupancy Tax Collection Contract	13
Contract for Collection of Delinquent Hotel Occupancy Taxes	13
Vehicle Rental Tax	13
Vehicle Rental Tax Collection Contract	14
Astros Payments	14
Current Status of Astros Payments	15
Agreements Relating to Minute Maid Park	15
Convention Industry and Hosting of Major Sporting Events	18
Schedule 2 — Historical Revenues	19
Schedule 3 — Top Ten HOT Taxpayers for Fiscal Year 2019	20
SECURITY FOR THE SERIES 2020 BONDS	20
Limited Obligations	20
Trust Estate	20
Flow of Funds for Revenues	22
Flow of Funds for Astros Payments	27
Revenue Recycling Account	30
National Insured Bonds Debt Service Reserve Account	31
Debt Repayment Account	32
Debt Service Reserve Requirements	33
Deficiencies in Interest and Principal Subaccounts	34
Additional Senior, Second and Junior Lien Bonds	37
Additional Third Lien Bonds	39
Default Provisions and Remedies	39
INVESTMENT CONSIDERATIONS	45
General	45
Forward-Looking Statements	45
Sufficiency of Revenues and Astros Payments	46
Bond Insurance	46
Ratings	47
Limited Obligations	47
Limitation and Enforceability of Remedies; Bankruptcy	48
Future and Proposed Legislation	49
Information Technology and Cybersecurity	49
Severe Weather Events	49
Exposure to Oil and Gas Industry	49
BOND INSURANCE	50
Bond Insurance Policy	50

Assured Guaranty Municipal Corp.....	50
DEBT SERVICE RESERVE ACCOUNT CREDIT FACILITIES.....	52
Senior Lien Debt Service Reserve Account Credit Facilities	52
Second Lien Debt Service Reserve Account Credit Facilities	52
Junior Lien Debt Service Reserve Account Credit Facilities.....	53
Third Lien Debt Service Reserve Account	53
SPORTS AUTHORITY DEBT SERVICE SCHEDULE.....	54
DESCRIPTION OF SPORTS AUTHORITY OBLIGATIONS NOT SUPPORTED BY THE TRUST ESTATE.....	55
AUDITED FINANCIAL STATEMENTS	55
MANAGEMENT AND ORGANIZATION OF SPORTS AUTHORITY	55
Management and Organization.....	55
Budgeting and Operations	58
Schedule 4 — Sports Authority 2020 Budget.....	59
LITIGATION	59
INVESTMENT AUTHORITY AND INVESTMENT PRACTICES OF THE SPORTS AUTHORITY	60
Legal Investments.....	60
Investment Policies.....	61
LEGAL MATTERS	62
TAX MATTERS — TAX-EXEMPT BONDS.....	62
Tax Exemption.....	62
Tax Accounting Treatment of Discount and Premium on Certain Bonds.....	63
TAX MATTERS — TAXABLE BONDS	64
U.S. Holders Payments of Stated Interest on the Taxable Bonds	65
Original Issue Discount	65
Premium	65
Medicare Contribution Tax.....	65
Disposition of Taxable Bonds and Market Discount	65
Legal Defeasance	66
Backup Withholding	66
Reporting of Interest Payments	66
Non-U.S. Holders Effectively Connected Income.....	66
Withholding on Payments to Non-U.S. Holders.....	66
Disposition of the Taxable Bonds.....	67
Foreign Account Tax Compliance Act —U.S. Holders and Non-U.S. Holders.....	67
RATINGS.....	67
FINANCIAL ADVISOR.....	67
CONTINUING DISCLOSURE.....	67
Annual Reports.....	68
Event Notices	68
Limitations and Amendments	69
UNDERWRITING	69
VERIFICATION OF MATHEMATICAL ACCURACY	70
MISCELLANEOUS.....	70

SCHEDULE I	—	REFUNDED OBLIGATIONS AND TENDERED BONDS
APPENDIX A	—	DEFINITIONS
APPENDIX B	—	AUDITED FINANCIAL STATEMENTS
APPENDIX C	—	EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE
APPENDIX D	—	EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES
APPENDIX E	—	FORMS OF CO-BOND COUNSEL OPINIONS
APPENDIX F	—	SPECIMEN OF BOND INSURANCE POLICY
APPENDIX G	—	BOOK-ENTRY ONLY SYSTEM

OFFICIAL STATEMENT

\$112,165,000

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

\$52,035,000
Senior Lien Revenue
Refunding Bonds,
Series 2020A

\$34,265,000
Taxable Senior Lien Revenue
Refunding Bonds,
Series 2020B

\$25,865,000
Taxable Second Lien Revenue
Refunding Bonds,
Series 2020C

INTRODUCTION

This Official Statement, which includes the cover page hereof and the schedules and appendices attached hereto, is furnished in connection with (a) the “Invitation to Offer Bonds made by Harris County-Houston Sports Authority” dated September 8, 2020 (the “Tender Offer”), of the Harris County-Houston Sports Authority (the “Sports Authority”), a political subdivision of the State of Texas (the “State”), inviting owners of certain bonds of the Sports Authority described herein to tender such bonds for purchase by the Sports Authority, and (b) the offering for sale of the Sports Authority’s Senior Lien Revenue Refunding Bonds, Series 2020A (the “Series 2020A Bonds”), Taxable Senior Lien Revenue Refunding Bonds, Series 2020B (the “Series 2020B Bonds”) and Taxable Second Lien Revenue Refunding Bonds, Series 2020C, (the “Series 2020C Bonds,” together with the Series 2020A Bonds and the Series 2020B Bonds, the “Series 2020 Bonds”). See “PURPOSE AND PLAN OF FINANCE – Background, Tender and Purpose - *Tender Offer*.”

The Series 2020 Bonds will be issued pursuant to Chapters 334 and 335, Local Government Code, as amended (the “Enabling Act”), and Chapters 1207 and 1371, Texas Government Code, as amended, and an Indenture of Trust dated August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004 and December 1, 2014 (the “Master Indenture”), and as further amended and supplemented, particularly by the Twenty-Eighth Supplemental Indenture of Trust, dated as of October 1, 2020, the Twenty-Ninth Supplemental Indenture of Trust, dated as of October 1, 2020, the Thirtieth Supplemental Indenture of Trust, dated as of October 1, 2020 and the Thirty-First Supplemental Indenture of Trust, dated as of October 1, 2020 (as amended, the “Indenture”). Capitalized terms used but not defined herein shall have the meanings assigned to such terms in “APPENDIX A — DEFINITIONS,” “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE,” and “APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES,” as appropriate. Copies of the Indenture are available from the Sports Authority upon request and payment of reproduction costs.

The Sports Authority has previously issued, and there is currently outstanding, Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds, Third Lien Bonds and certain subordinate debt obligations to finance and refinance the venue projects described in “APPROVED VENUE PROJECTS.” See “PURPOSE AND PLAN OF FINANCE — Outstanding Bonds” and “— Subordinate Obligations of the Sports Authority.”

The Series 2020 Bonds are special limited obligations of the Sports Authority that, together with the outstanding Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds, and Third Lien Bonds and any Additional Bonds or additional Third Lien Bonds, if and when issued under the Indenture, are payable from and secured by a lien on the Trust Estate created under the Indenture. The Trust Estate includes all of the Sports Authority’s right, title and interest in and to the Revenues, the Astros Payments, the Pledged Accounts, and certain other moneys and accounts, as more fully described herein. See “SECURITY FOR THE SERIES 2020 BONDS.” The Revenues include all amounts received from time to time by the Sports Authority which are (i) receipts from a hotel occupancy tax (the “Hotel Occupancy Tax”) imposed on, and equal to 2% of the cost of, all hotel room rentals in the City of Houston (the “City”) and Harris County (the “County”); and (ii) receipts from a short-term motor vehicle rental tax (the “Vehicle Rental Tax”) imposed on, and equal to 5% of, the gross rental receipts from short-term motor vehicle rentals in the City and County. The Astros Payments include certain lease payments and royalty payments to be paid to the Sports Authority by the Houston Astros Major League Baseball team, as more fully described herein.

See “DESCRIPTION OF PLEDGED REVENUES” and “INVESTMENT CONSIDERATIONS – Sufficiency of Revenues and Astros Payments.”

Pursuant to the terms of the Indenture, the pledge of the Astros Payments (including the application thereof) with respect to Tax-Exempt Bonds is limited to the Allowed Special Revenue Amount. Accordingly, Astros Payments may be applied to the payment of debt service on the Series 2020A Bonds, and any other series of Outstanding Bonds and Additional Bonds (to which Astros Payments are pledged) constituting Tax-Exempt Bonds, only to the extent of the Allowed Special Revenue Amount from time to time applicable to such Bonds. Astros Payments may be applied without limitation to the payment of debt service on the Series 2020B Bonds, the Series 2020C Bonds and any Additional Bonds (to which Astros Payments are pledged) constituting Taxable Bonds. The liens of the Indenture on Revenues and Astros Payments securing all Outstanding Second Lien Bonds, the Series 2020C Bonds and any Additional Second Lien Bonds, if and when issued, is junior and subordinate in all respects to the liens on Revenues and Astros Payments securing all Outstanding Senior Lien Bonds, the Series 2020A Bonds and Series 2020B Bonds and any Additional Senior Lien Bonds, if and when issued. See “SECURITY FOR THE SERIES 2020 BONDS — Flow of Funds for Astros Payments,” “INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments — Sufficiency of Astros Payments,” “DESCRIPTION OF PLEDGED REVENUES — Current Status of Astros Payments.”

INFECTIOUS DISEASE OUTBREAK - COVID-19

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the "Pandemic") by the World Health Organization and is currently affecting many parts of the world, including the United States and Texas. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. Subsequently, the President's Coronavirus Guidelines for America and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States.

On March 13, 2020, the Governor of Texas (the "Governor") declared a state of disaster for all counties in Texas in response to the Pandemic. Pursuant to Chapter 418 of the Texas Government Code, the Governor has broad authority to respond to disasters, including suspending any regulatory statute prescribing the procedures for conducting state business or any order or rule of a state agency that would in any way prevent, hinder, or delay necessary action in coping with the disaster, and issuing executive orders that have the force and effect of law. The Governor has since issued a number of executive orders relating to COVID-19 preparedness and mitigation and phased reopening of businesses in Texas. These include, executive orders which, among other things, impose operations and limitations on business occupancy and social gatherings and require people to wear face masks (with some exceptions). The Governor retains the authority to impose additional restrictions on activities.

In addition to the actions by the state and federal officials, certain local officials, including Harris County Judge Lina Hidalgo have declared a local state of disaster and have issued "stay at home" orders. Many of the federal, state and local actions and policies under the aforementioned disaster declarations and "stay at home" orders are focused on limiting instances where the public can congregate or interact with each other, which affects the operation of businesses and directly impacts the economy. In the event of a conflict, the orders of the Governor relating to the Pandemic prevail over the stay at home orders issued by local authorities. The Pandemic has negatively affected travel, commerce, and financial markets globally, and is widely expected to continue negatively affecting economic growth and financial markets worldwide. The United States State Department and other governmental and quasi-governmental authorities have issued sweeping travel restrictions and warnings that have had and will have a continuing and direct impact on business and leisure travel, both domestic and international. The shutdown of conferences and sporting events in Houston has resulted in reduced Hotel Occupancy Tax and Vehicle Rental Tax revenues pledged to pay the Sports Authority's outstanding bonds. It is unclear how long the Pandemic's negative impact on such revenues will continue, and the Sports Authority is issuing the Series 2020 Bonds to restructure its debt service in order to improve its capacity to continue its timely payment of debt service on its outstanding bonds during such period of decreased revenues and to manage its near term cash flow. See “PURPOSE AND PLAN OF FINANCE” and “INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments. See also “DESCRIPTION OF PLEDGED REVENUES — Current Status of Astros Payments.”

The Sports Authority will continue to monitor the spread of COVID-19 and its related economic impacts and is working with its Board and consultants to assess the long-term impact of the Pandemic on the Sports Authority, which cannot be quantified at this time. See “INVESTMENT CONSIDERATIONS - Sufficiency of Revenues and Astros Payments” and “DESCRIPTION OF PLEDGED REVENUES — Current Status of Astros Payments.” herein.

APPROVED VENUE PROJECTS

The Sports Authority was created by concurrent orders of the Commissioners Court of Harris County, Texas (the “County”) and the City Council of the City of Houston, Texas (the “City”), effective September 1, 1997. The Sports Authority is a political subdivision of the State of Texas, organized as a sports and community venue district under the Enabling Act. The Sports Authority was created for the public purpose of planning, acquiring, establishing, developing, constructing or renovating one or more venue projects.

Prior to the enactment of the Enabling Act by the Texas Legislature in 1997, a County-wide referendum was held on November 5, 1996, in which the voters approved a proposition authorizing the County to establish and operate new or renovated stadiums, arenas and other facilities for professional baseball and football teams, provided that no real or personal property taxes of the County are spent to acquire, construct or equip these facilities. The Enabling Act authorized the Sports Authority to undertake the construction and financing of improvements authorized by such referendum and to levy the Hotel Occupancy Tax and Vehicle Rental Tax in the County and the City.

The Sports Authority previously issued the Series 1998 Ballpark Bonds, the Series 2001 Stadium Bonds, the Series 2001 Arena Bonds and certain subordinate debt obligations to finance the following Approved Venue Projects, respectively:

1. a retractable-roof Major League Baseball stadium (now named, “Minute Maid Park”), which opened for use by the Houston Astros Major League Baseball Team in March 2000;
2. a retractable-roof football stadium (now named, “NRG Stadium” or the “Stadium”), which opened in August 2002 for use by Houston NFL Holdings, L.P. d/b/a the Houston Texans (the “NFL Club”) and the Houston Livestock Show and Rodeo, Inc. (the “Rodeo”), and many other organizations and events; and
3. a multi-purpose arena (“Toyota Center”) and an adjacent garage (the “Garage” and, together with the Toyota Center and all other related infrastructure, the “Arena Project”) for use by the Houston Rockets National Basketball Association Team (the “Rockets”). The Toyota Center and the Garage opened for use in October 2003.

In addition to the Approved Venue Projects described above, the Sports Authority, in conjunction with other public entities, developed a multi-purpose stadium (“BBVA Stadium”) principally used by the Houston Dynamo Major League Soccer franchise for professional soccer. BBVA Stadium opened in May, 2012. The Sports Authority did not incur any debt with respect to the BBVA Stadium.

In addition to overseeing the bond debt service for the Approved Venue Projects, the Sports Authority also assists with sports marketing relating to such projects, in order to attract national and international sporting events to the region.

See “AUDITED FINANCIAL STATEMENTS” and “MANAGEMENT AND ORGANIZATION OF SPORTS AUTHORITY.”

PURPOSE AND PLAN OF FINANCE

Background, Tender and Purpose

Background. The decrease in travel and shutdown of conferences and sporting events in Houston as a result of the COVID-19 Pandemic has resulted in a significant decrease in Hotel Occupancy Tax revenues and Vehicle Rental Tax revenues pledged to the payment of the Sports Authority’s Outstanding Bonds. To proactively manage the decrease in such revenues resulting from the COVID-19 Pandemic, the Sports Authority is issuing the Series 2020 Bonds to restructure its debt service in order to improve its capacity to continue its timely payment of debt service on its outstanding bonds during such period of decreased revenues and to manage its near term cash flow. It is

unclear how long the Pandemic's negative impact on such revenues will continue. See "INFECTIOUS DISEASE OUTBREAK - COVID-19," "INVESTMENT CONSIDERATIONS - Sufficiency of Revenues and Astros Payments" and "DESCRIPTION OF PLEDGED REVENUES — Current Status of Astros Payments."

Simultaneously with the issuance of the Series 2020 Bonds, the Sports Authority is entering into the Thirty-First Supplemental Indenture of Trust, dated as of October 1, 2020 (the "Thirty-First Supplemental Indenture"). The changes to the Indenture flow of funds set forth in the Thirty-First Supplemental Indenture including the creation of the Revenue Recycling Account as part of the Indenture through June 15, 2024, changes to the Debt Repayment Account, and the temporary subordination of the General and Administrative Account in the Bond Year ending in 2032, are being made to assist the Sports Authority in dealing with the reduction in revenues as a result of COVID-19 and to facilitate the restructuring of its outstanding bonds. See APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES," "SECURITY FOR THE SERIES 2020 BONDS – Flow of Funds for Revenues," "– Revenue Recycling Account," and "– "INFECTIOUS DISEASE OUTBREAK – COVID-19" and "INVESTMENT CONSIDERATIONS – Sufficiency of Revenues and Astros Payments."

The Sports Authority has previously issued multiple series of bonds to finance the development and construction of the Approved Venue Projects described in "APPROVED VENUE PROJECTS." In respect to the Sports Authority's outstanding Senior Lien, Second Lien, Junior Lien, and Third Lien Bonds and other subordinate debt obligations, all principal and interest payments due and owing to the holders have been timely made. For a description of certain currently outstanding debt obligations of the Sports Authority and the amount of such obligations that will be outstanding after the issuance of the Series 2020 Bonds, see "– Outstanding Bonds."

Tender Offer. On September 8, 2020, the Sports Authority, with the assistance of Wells Fargo Securities, as dealer manager (the "Dealer Manager"), released its Tender Offer to holders of its Senior Lien Revenue Refunding Bonds, Series 2001A (Capital Appreciation Bonds) (CUSIPS: 413893CG1, 413893CL0 and 413893CM8); Senior Lien Revenue Refunding Bonds, Series 2014A (CUSIPS: 413890CV4, 413890CW2, and 413890CX0); and Second Lien Revenue Refunding Bonds, Series 2014C (CUSIPS: 413890DW1 and 413890DX9) (collectively, the "Subject Bonds") pursuant to which the Sports Authority offered to purchase such bonds for cash. "Schedule I – Refunded Obligations and Tendered Bonds" lists the Subject Bonds that are being tendered for purchase by the Authority (the "Tendered Bonds"). The purchase of the Tendered Bonds will be funded from proceeds of the Series 2020A Bonds.

Purpose. The proceeds of the Series 2020A Bonds, will be used to (i) purchase Tendered Bonds tendered pursuant to the Tender Offer (see "SCHEDULE I — Refunded Obligations and Tendered Bonds"); (ii) purchase a bond insurance policy and a reserve fund surety policy for the Series 2020A Bonds; and (iii) pay costs of issuance relating to the Series 2020A Bonds and the costs of the Tender Offer. The proceeds of the Series 2020B Bonds will be used to (i) refund certain interest payments with respect to certain outstanding bonds of the Sports Authority (the "Series 2020B Refunded Interest") and refund certain outstanding bonds of the Sports Authority (the "Series 2020B Refunded Bonds") as more particularly described in "SCHEDULE I — Refunded Obligations and Tendered Bonds;" (ii) purchase a bond insurance policy and a reserve fund surety policy for the Series 2020B Bonds, and (iii) pay costs of issuance relating to the Series 2020B Bonds and pay the costs of refunding the Series 2020B Refunded Interest and Series 2020B Refunded Bonds. The proceeds of the Series 2020C Bonds will be used to (i) refund certain interest payments with respect to certain outstanding bonds of the Sports Authority (the "Series 2020C Refunded Interest") and refund certain outstanding bonds of the Sports Authority (the "Series 2020C Refunded Bonds," as more particularly described in "SCHEDULE I — Refunded Obligations and Tendered Obligations;" (ii) fund a debt service reserve fund for the Series 2020C Bonds, (iii) purchase a bond insurance policy for the Series 2020C Bonds, and (iv) pay costs of issuance relating to the Series 2020C Bonds and the costs of refunding the Series 2020C Refunded Bonds. See "PURPOSE AND PLAN OF FINANCE" and "SOURCES AND USES OF FUNDS."

Bond Insurance and Debt Service Reserve Account Credit Facilities

After giving effect to the delivery of the Series 2020 Bonds and the application of the proceeds thereof on the Date of Delivery, the scheduled payment of principal of and interest on the following series of Outstanding Bonds and Third Lien Bonds of the Sports Authority will continue to be guaranteed under separate insurance policies previously issued by MBIA (now known as National): the Series 2001A Bonds, Series 2001G Bonds, the Series 2001H Bonds and the Series 2004A-3 Bonds. See "SCHEDULE I — Refunded Obligations and Tendered Bonds." AGM currently insures the Series 2014A Current Interest Bonds (2022 through 2027 maturities only), the Series 2014A Capital Appreciation Bonds and also the Series 2001A Bonds. As described in "BOND

INSURANCE,” the scheduled payment of principal of and interest on the Series 2020 Bonds when due will be guaranteed under separate bond insurance policies for each series to be issued concurrently with the delivery of such bonds by the 2020 Insurer and paid for from the proceeds of the respective series of Series 2020 Bonds. See “BOND INSURANCE,” herein.

Upon the issuance of the Series 2020 Bonds, the Sports Authority will purchase with proceeds of the Series 2020A Bonds and the Series 2020B Bonds, Debt Service Reserve Account Credit Facilities from the 2020 Insurer to satisfy the respective Debt Service Reserve Requirements for the Series 2020A Bonds and Series 2020B Bonds. See “SECURITY FOR THE SERIES 2020 BONDS — Debt Service Reserve Requirements” and “DEBT SERVICE RESERVE ACCOUNT CREDIT FACILITIES.”

National and AGM have agreed to certain provisions contained in the Indenture relating to the exercise of their respective rights under the terms of the Indenture. See “SECURITY FOR THE SERIES 2020 BONDS — Default Provisions and Remedies – *Credit Providers’ Right to Direct Remedies.*”

Outstanding Bonds

The schedule below reflects the Sports Authority’s Senior Lien, Second Lien, Junior Lien and Third Lien Bonds that are outstanding as of the date of this Official Statement. Such schedule excludes certain subordinate debt obligations that are secured by a lien on the Revenues, which lien is subordinate to the lien on the Revenues securing the bonds reflected in the schedule below. See “– Subordinate Obligations of the Sports Authority,” below. Additional information regarding the Sports Authority’s outstanding obligations may be obtained from the audited financial statements of the Sports Authority for the Fiscal Year ended December 31, 2019. See “APPENDIX B – AUDITED FINANCIAL STATEMENTS.”

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Schedule 1 — Outstanding Bonds

	Obligations Currently Outstanding Prior to the Issuance of the Series 2020 Bonds ⁽¹⁾	Obligations Outstanding After the Issuance of the Series 2020 Bonds ⁽²⁾
<u>Senior Lien Bonds:</u>		
Series 2001A Bonds	\$149,951,417	\$144,955,695
Series 2001G Bonds	7,086,179	7,086,179
Series 2014A Bonds	446,541,020	395,256,020
Series 2020A Bonds		52,035,000
Series 2020B Bonds		34,265,000
<u>Second Lien Bonds:</u>		
Series 2014C Bonds	63,515,000	57,180,000
Series 2020B Bonds		25,865,000
<u>Junior Lien Bonds:</u>		
Series 2001H Bonds	154,705,465	152,754,435
<u>Third Lien Bonds:</u>		
Series 2004A-3 Bonds	69,604,089	69,604,089
TOTAL	\$891,403,170	\$939,001,418

Totals may not add due to rounding.

- ⁽¹⁾ Represents the outstanding principal amount of the Sports Authority's Senior Lien, Second Lien, Junior Lien and Third Lien Bonds as of the Date of Delivery, prior to giving effect to the issuance of the Series 2020 Bonds and the refunding of the Refunded Obligations and the purchase of the Tendered Bonds, and therefore includes the Refunded Obligations and the Tendered Bonds, and excludes the Series 2020 Bonds, and the subordinate debt obligations of the Sports Authority described in "— Subordinate Obligations of the Sports Authority." Amounts for Capital Appreciation Bonds are stated at Accreted Value as of the Date of Delivery.
- ⁽²⁾ Represents the outstanding principal amount of the Sports Authority's Senior Lien, Second Lien, Junior Lien and Third Lien Bonds as of the Date of Delivery, after giving effect to the issuance of the Series 2020 Bonds and the refunding of the Refunded Obligations and the purchase of the Tendered Bonds, and therefore excludes the Refunded Obligations and the Tendered Bonds and also excludes the subordinate debt obligations of the Sports Authority described in "— Subordinate Obligations of the Sports Authority." Amounts for Capital Appreciation Bonds are stated at Accreted Value as of the Date of Delivery.

Subordinate Obligations of the Sports Authority

As of the date hereof, the Sports Authority currently has outstanding the Subordinate Lien Note, Series 2001C-2 (the "Series 2001C-2 Note") which is secured by a lien on Hotel Occupancy Tax and Vehicle Rental Tax revenues that is subordinate to the lien thereon securing Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds and Third Lien Bonds. The Series 2001C-2 Note is a non-interest bearing note, in the aggregate principal amount of approximately \$5 million and was not issued pursuant to the Indenture or any other indenture, and is additionally secured by certain of the other lease payments and surcharge revenues attributable to the Approved Venue Projects. For additional information regarding such obligations, see "APPENDIX B — AUDITED FINANCIAL STATEMENTS." See also, "SECURITY FOR THE SERIES 2020 BONDS — Flow of Funds for Revenues" and "Debt Repayment Account" for a description of certain provisions of the Indenture relating to the use of moneys for the repayment of the Series 2001C-2 Note.

Refunded Obligations

Series 2020B Refunded Bonds and Series 2020B Refunded Interest. A portion of the proceeds of the Series 2020B Bonds, together with other available funds, if any, will be deposited with the Escrow Agent, pursuant to an escrow agreement (the "2020B Escrow Agreement"), to be entered into between the Sports Authority and the Escrow Agent, relating to the Series 2020B Refunded Bonds, in an amount sufficient to pay on the respective payment dates, redemption dates, or maturities, as applicable, the Series 2020B Refunded Interest, and the principal

of and interest on the Series 2020B Refunded Bonds, as applicable in the amounts set forth in SCHEDULE I hereto. See “SCHEDULE I –Refunded Obligations and Tendered Bonds.”

Series 2020C Refunded Bonds and Series 2020C Refunded Interest. A portion of the proceeds of the Series 2020C Bonds, together with other available funds, if any, will be deposited with the Escrow Agent, pursuant to an escrow agreement (the “2020C Escrow Agreement”), to be entered into between the Sports Authority and the Escrow Agent, relating to the Series 2020C Refunded Bonds, in an amount sufficient to pay on the respective payment dates, redemption dates, or maturities, as applicable, the Series 2020C Refunded Interest, and the principal of and interest on the Series 2020C Refunded Bonds, as applicable in the amounts set forth in SCHEDULE I hereto. See “SCHEDULE I –Refunded Obligations and Tendered Bonds.”

The Series 2020B Refunded Bonds, the Series 2020B Refunded Interest, the Series 2020C Refunded Bonds and the Series 2020C Refunded Interest are collectively referred to herein as the “Refunded Obligations.”

The Supplemental Indentures described herein provide that a portion of the proceeds of the sale of the Series 2020A Bonds and Series 2020B Bonds, together with other funds described therein, if any, will be deposited with the Escrow Agent in the amount necessary to accomplish the discharge and final payment of the Refunded Obligations. Such funds will be held by the Escrow Agent in special escrow accounts (the “Escrow Funds”) for the respective Refunded Obligations, and used to purchase Governmental Obligations (the “Escrow Securities”). Each Escrow Fund is pledged to its respective Refunded Obligations.

Samuel Klein and Company, independent certified public accountants, in conjunction with Public Finance Partners LLC, (together, the “Verification Agent”) will verify at the time of delivery of the Series 2020 Bonds that the Escrow Securities will mature and pay interest in such amounts and at such times which, together with uninvested funds in the Escrow Funds, if any, will be sufficient to pay, when due, the principal of and interest on the respective Refunded Obligations. Such maturing principal of and interest on the Escrow Securities will not be available to pay the Series 2020 Bonds. The Verification Agent will also verify the yields and certain other computations relied on by Co-Bond Counsel to support its opinion that interest on the Series 2020A Bonds will be excluded from gross income for federal income tax purposes. Such verifications will be based on information and assumptions supplied by the Sports Authority’s Financial Advisor, and such verifications, information, and assumptions will be relied upon by Co-Bond Counsel in rendering its opinions relating to the Series 2020A Bonds described herein. See “VERIFICATION OF MATHEMATICAL ACCURACY.”

In the opinion of Co-Bond Counsel, by making the deposit of the Escrow Securities and cash with the Escrow Agent pursuant to the respective Escrow Agreements, the Sports Authority will have made firm banking and financial arrangements for the discharge and final payment of the Refunded Obligations pursuant to State law. Thereafter, the Refunded Obligations will be deemed to be fully paid and no longer outstanding except for the purpose of being paid from the funds provided therefor in the Escrow Agreements.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

SOURCES AND USES OF FUNDS

The proceeds from the sale of the Series 2020 Bonds, together with certain other lawfully available funds of the Sports Authority, will be applied approximately as follows.

	<u>Series 2020A Bonds</u>	<u>Series 2020B Bonds</u>	<u>Series 2020C Bonds</u>	<u>Total</u>
<u>Sources of Funds:</u>				
Principal Amount	\$52,035,000.00	\$34,265,000.00	\$25,865,000.00	\$112,165,000.00
Minus: Original Issue Discount	1,807,695.90	663,713.05	529,456.55	3,000,865.50
Issuer Contribution	<u>798,700.00</u>			<u>798,700.00</u>
Total Sources of Funds	51,026,004.10	33,601,286.95	25,335,543.45	109,962,834.50
<u>Uses of Funds:</u>				
Deposit to Interest and Principal Accounts		1,861,998.53	934,013.08	2,796,011.61
Deposit to Tendered Bonds Purchase Account/Escrow Fund	46,416,634.85	28,518,685.69	19,773,258.00	94,708,579.14
Deposit to Reserve Account			2,533,554.00	2,533,554.00
Issuance Costs ⁽¹⁾	768,159.54	443,239.80	355,865.82	1,567,265.16
Bond Insurance	3,274,325.16	2,367,480.56	1,738,851.60	7,380,657.32
Surety Bond	<u>566,884.55</u>	<u>409,882.37</u>		<u>976,766.92</u>
Total Uses of Funds	\$51,026,004.10	\$33,601,286.95	\$25,335,543.45	\$109,962,834.50

⁽¹⁾ Including Underwriters' Discount and other issuance costs.

DESCRIPTION OF THE SERIES 2020 BONDS

General

Interest on the Series 2020 Bonds will accrue from the Date of Delivery, and will be payable on each May 15 and November 15, commencing May 15, 2021 and will be calculated on the basis of a 360-day year of twelve 30-day months. The Series 2020 Bonds mature on the dates and in the principal amounts and will bear interest at the per annum rates shown on page i hereof.

The Series 2020 Bonds are initially issuable only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC"), pursuant to the book-entry only system described herein. The Series 2020 Bonds will initially be available for purchasers only in book-entry form, and such purchasers will not receive certificates representing their beneficial ownership therein. Beneficial ownership may be acquired in principal denominations of \$5,000, or any integral multiple thereof. Debt service payments on the Series 2020 Bonds will be payable by the Trustee to DTC, which will make distribution of the amounts so paid to the beneficial owners thereof. See "APPENDIX G — BOOK-ENTRY-ONLY SYSTEM."

Payment, Transfers and Exchanges

For as long as the Series 2020 Bonds are in book-entry form, payment of the principal of, premium, if any, and interest on such Series 2020 Bonds shall be made and given in accordance with DTC's operational arrangements. The principal or maturity amount of any Series 2020 Bond will be payable, on presentation and surrender of such Series 2020 Bond, in lawful money of the United States of America, without exchange or collection charges to the Registered Owner of such Series 2020 Bond, at the designated payment office of the Trustee for the Series 2020 Bonds. All interest accruing prior to maturity on any Series 2020 Bond shall be paid by check mailed to the Registered Owner of such Series 2020 Bond at its address as it appears on the registration books of the Trustee. If the Sports Authority shall be in default in payment of interest due on any interest payment date, a Special Record Date for the payment of such defaulted interest established by notice mailed by the Trustee on behalf of the Sports Authority; notice of such Special Record Date shall be mailed not less than 10 days preceding such Special Record Date, to the Owner at the close of business on the fifth Business Day preceding the date of mailing.

The Series 2020 Bonds shall be transferable only upon presentation and surrender thereof at the principal payment office of the Trustee, acting in its capacity as bond 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 Trustee. Upon due presentation of any Series 2020 Bonds for transfer, the Trustee shall authenticate and deliver in exchange therefor, a new Series 2020 Bond or Series 2020 Bonds of the same series registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount, and bearing, accruing or accreting interest at the same rate as the Series 2020 Bond or the Series 2020 Bonds so presented and surrendered. The Trustee may require the Registered Owner of any Series 2020 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 Series 2020 Bond and any legal or unusual costs regarding transfers and exchanges of Bonds.

The Sports Authority, the Trustee, the 2020 Insurer and any other person may treat the person in whose name any Series 2020 Bond of any series is registered as the owner of such Series 2020 Obligation for the purpose of making payment of the principal and premium, if any, on such Series 2020 Obligation, and for the further purpose of receiving payment of principal of and premium, if any, and interest thereon, whether or not such Series 2020 Bond is overdue, for the purpose of giving notice to the holder of such Series 2020 Bond, and for all other purposes, and none of the Sports Authority, the 2020 Insurer or the Trustee shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the holder of any Series 2020 Bond in accordance with the Indenture shall be valid and effective and shall discharge the liability of the Sports Authority and the Trustee upon such Series 2020 Bond to the extent of the sums paid.

Redemption

Series 2020A Bonds.

Optional Redemption. On November 15, 2030, and on any date thereafter, the Authority shall have the option of calling the Series 2020A Bonds maturing thereafter for redemption prior to maturity, in whole or in part, for an amount equal to the accrued interest thereon from the most recent Interest Payment Date to the date fixed for redemption.

Mandatory Sinking Fund Redemption. The Series 2020A Bonds maturing on November 15, 2056 are issued as term bonds subject to mandatory redemption on November 15, in the years and in the amounts set forth below, at a price of 100% of the principal amount to be redeemed plus accrued interest from the most recent interest payment date to the date of redemption, to be selected by lot or other customary method designated by the Trustee, subject to reduction by the amount of any prior redemption or purchase and cancellation as designated by the Sports Authority.

Series 2020A Bonds Maturing <u>November 15, 2056</u>	
<u>Redemption Date</u> <u>(November 15)</u>	<u>Principal Amount</u>
2054	\$16,815,000
2055	17,340,000
2056 (final maturity)	17,880,000

If Series 2020A Bonds are redeemed at the direction of the Sports Authority as described above in preceding paragraphs, or are purchased by the Sports Authority and delivered to the Trustee for cancellation, the Series 2020A Bonds so optionally redeemed or purchased may, at the option of the Sports Authority, be applied as a credit against any Mandatory Sinking Fund Payment with respect to such Series 2020A Bonds otherwise to be redeemed thereby, such credit to be equal to the principal amount of such Series 2020A Bonds redeemed, provided that the Sports Authority shall have delivered to the Trustee not less than 45 days prior to such redemption date written notice stating its election to apply such Series 2020A Bonds as such a credit. In such case, the Trustee shall reduce the amount of Series 2020A Bonds to be redeemed on the Mandatory Sinking Fund Payment Date specified in such Sports Authority notice by the principal amount of Series 2020A Bonds so redeemed. Any credit given to Mandatory Sinking Fund Payments shall not affect any other Mandatory Sinking Fund Payments, which shall remain payable as otherwise provided herein, unless and until another credit is given in accordance with the provisions hereof.

Series 2020B Bonds.

Optional Redemption. On November 15, 2030, and on any date thereafter, the Authority shall have the option of calling the Series 2020B Bonds maturing thereafter for redemption prior to maturity, in whole or in part, for an amount equal to the accrued interest thereon from the most recent Interest Payment Date to the date fixed for redemption..

Mandatory Sinking Fund Redemption. The Series 2020B Bonds maturing on November 15, 2056 are issued as term bonds subject to mandatory redemption on November 15, in the years and in the amounts set forth below, at a price of 100% of the principal amount to be redeemed plus accrued interest from the most recent interest payment date to the date of redemption, to be selected by lot or other customary method designated by the Trustee, subject to reduction by the amount of any prior redemption or purchase and cancellation as designated by the Sports Authority.

Series 2020B Bonds Maturing <u>November 15, 2056</u>	
<u>Redemption Date</u> <u>(November 15)</u>	<u>Principal Amount</u>
2054	\$11,010,000
2055	11,415,000
2056(final maturity)	11,840,000

If Series 2020B Bonds are redeemed at the direction of the Sports Authority as described above in preceding paragraphs, or are purchased by the Sports Authority and delivered to the Trustee for cancellation, the Series 2020B Bonds so optionally redeemed or purchased may, at the option of the Sports Authority, be applied as a credit against any Mandatory Sinking Fund Payment with respect to such Series 2020B Bonds otherwise to be redeemed thereby, such credit to be equal to the principal amount of such Series 2020B Bonds redeemed, provided that the Sports Authority shall have delivered to the Trustee not less than 45 days prior to such redemption date written notice stating its election to apply such Series 2020B Bonds as such a credit. In such case, the Trustee shall reduce the amount of Series 2020B Bonds to be redeemed on the Mandatory Sinking Fund Payment Date specified in such Sports Authority notice by the principal amount of Series 2020B Bonds so redeemed. Any credit given to Mandatory Sinking Fund Payments shall not affect any other Mandatory Sinking Fund Payments, which shall remain payable as otherwise provided herein, unless and until another credit is given in accordance with the provisions hereof.

Series 2020C Bonds.

Optional Redemption. On November 15, 2030, and on any date thereafter, the Authority shall have the option of calling the Series 2020C Bonds maturing thereafter for redemption prior to maturity, in whole or in part, for an amount equal to the accrued interest thereon from the most recent Interest Payment Date to the date fixed for redemption.

Mandatory Sinking Fund Redemption. The Series 2020C Bonds maturing on November 15, 2040 are issued as term bonds subject to mandatory redemption on November 15, in the years and in the amounts set forth below, at a price of 100% of the principal amount to be redeemed plus accrued interest from the most recent interest payment date to the date of redemption, to be selected by lot or other customary method designated by the Trustee, subject to reduction by the amount of any prior redemption or purchase and cancellation as designated by the Sports Authority.

Series 2020C Bonds Maturing
November 15, 2040

<u>Redemption Date</u> <u>(November 15)</u>	<u>Principal Amount</u>
2035	\$4,385,000
2036	4,175,000
2037	4,085,000
2038	4,240,000
2039	4,405,000
2040 (final maturity)	4,575,000

If Series 2020C Bonds are redeemed at the direction of the Sports Authority as described above in preceding paragraphs, or are purchased by the Sports Authority and delivered to the Trustee for cancellation, the Series 2020C Bonds so optionally redeemed or purchased may, at the option of the Sports Authority, be applied as a credit against any Mandatory Sinking Fund Payment with respect to such Series 2020C Bonds otherwise to be redeemed thereby, such credit to be equal to the principal amount of such Series 2020C Bonds redeemed, provided that the Sports Authority shall have delivered to the Trustee not less than 45 days prior to such redemption date written notice stating its election to apply such Series 2020C Bonds as such a credit. In such case, the Trustee shall reduce the amount of Series 2020C Bonds to be redeemed on the Mandatory Sinking Fund Payment Date specified in such Sports Authority notice by the principal amount of Series 2020C Bonds so redeemed. Any credit given to Mandatory Sinking Fund Payments shall not affect any other Mandatory Sinking Fund Payments, which shall remain payable as otherwise provided herein, unless and until another credit is given in accordance with the provisions hereof.

Notice of Redemption

In the case of Series 2020 Bonds called for redemption and payment prior to their stated maturities, notice shall be given in writing by the Trustee by first class mail, postage prepaid to Owners of such Bonds to be redeemed, mailed not less than 30 days prior to the redemption date. See “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE” and “APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES.”

Trustee

As described in “PURPOSE AND PLAN OF FINANCE — Background, Tender and Purpose,” UMB Bank, National Association, N.A. currently serves as Trustee and as Bond Registrar and Paying Agent under the Indenture. In case the Trustee shall resign or be removed, or be dissolved or shall be in course of dissolution or liquidation, or otherwise become incapable of acting under the Indenture, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Board of the Sports Authority or, if the Sports Authority fails to appoint a successor within 90 days of the occurrence of any of the foregoing events, by the Owners of a majority in aggregate principal amount of the then Outstanding Bonds, by an instrument or concurrent instruments in writing signed by such Owners, or by their attorney-in-fact, duly authorized. Nevertheless, in case of such vacancy the Sports Authority by resolution of its Board may appoint a temporary trustee to fill such vacancy until a successor trustee shall be appointed by the Sports Authority or the Owners in the name above provided; and any such temporary trustee so appointed by the Sports Authority shall immediately and without further act be superseded by the Trustee so appointed by such Owners. Every such Trustee appointed pursuant to the provisions of the Indenture shall be a trust company or bank having trust powers and having a reported capital and surplus not less than \$25,000,000, if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms. Every such Trustee appointed pursuant to the provisions of the Indenture shall be approved in writing by each Designated Credit Provider. In case at any time the Trustee shall resign and no appointment of a successor Trustee shall be made within 60 days following such resignation, the retiring Trustee, at the expense of the Sports Authority, may forthwith apply to a court of competent jurisdiction for the appointment of a successor Trustee. Such court may thereupon, after such notice, if any, as it may deem proper, appoint a successor Trustee. The foregoing provisions of the Indenture apply equally to the Paying Agent.

Notwithstanding the foregoing or any other provision of the Indenture, at the written direction of the Owners of a majority in aggregate principal amount of the outstanding Junior Lien Bonds, or of the Credit Provider acting therefor in accordance with the terms of the Indenture described in “SECURITY FOR THE SERIES 2020 BONDS — Default Provisions and Remedies — Credit Providers’ Right to Direct Remedies” (the “Directing Party”), the Sports Authority and the Trustee are required under the Indenture to appoint, subject to the terms of the Indenture, as a separate replacement Trustee with respect to the Accounts and Subaccounts of the Indenture described in the paragraphs C through M of “SECURITY FOR THE SERIES 2020 BONDS — Flow of Funds for Revenues” (the “Relevant Funds and Accounts”) an institution meeting the requirements for a successor Trustee specified in the Indenture and described in the immediately preceding paragraph (the “Separate Trustee”), which Separate Trustee (i) shall have the rights, powers, trusts, duties and obligations by the Indenture conferred upon the Trustee with respect to the custody, control and management of the Relevant Funds and Accounts; (ii) shall have the authority to pursue on behalf of the Owners of the Junior Lien Bonds, subject to the terms of the Indenture described in paragraph (d) under “SECURITY FOR THE SERIES 2020 BONDS — Default Provisions and Remedies — Credit Providers’ Right to Direct Remedies,” such remedies as are specified in Article Ten of the Master Indenture (as described in “SECURITY FOR THE SERIES 2020 BONDS — Default Provisions and Remedies — Remedies”), including, without limitation, a mandamus action to cause the Sports Authority to impose, collect and transfer the pledged revenues; (iii) may be removed, with or without cause, at the direction of the Directing Party and be replaced, subject to the terms of the Indenture, with an institution meeting the requirements for a successor Trustee specified in the Indenture, and (iv) shall have such other powers and duties, if any, as may be specified in a Supplemental Indenture adopted at the time of such appointment. In the event the Sports Authority or the Trustee shall not have joined in the appointment of a Separate Trustee within 90 days after receipt by it of the direction of the Directing Party in accordance with the terms of the Indenture as described in this paragraph, the Directing Party will have the right to effect such appointment. The Trustee shall cooperate in promptly effectuating the foregoing, including the transfer of the Relevant Funds and Accounts to the Separate Trustee.

DESCRIPTION OF PLEDGED REVENUES

The Series 2020 Bonds are special limited obligations of the Sports Authority that, together with the outstanding Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds and Third Lien Bonds and any Additional Bonds or additional Third Lien Bonds, if and when issued under the Indenture, are payable from and secured by a lien on the Trust Estate created under the Indenture. The Trust Estate includes all of the Sports Authority’s right, title and interest in and to the Revenues, the Astros Payments, the Pledged Accounts, and certain other moneys and accounts, as more fully described herein. The Revenues include all amounts received from time to time by the Sports Authority or the Trustee from the Hotel Occupancy Tax and the Vehicle Rental Tax (see the definition of “Revenues” in “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE”). **The liens of the Indenture on Revenues and Astros Payments securing all Outstanding Second Lien Bonds, the Series 2020C Bonds and any Additional Second Lien Bonds, if and when issued, are junior and subordinate in all respects to the liens on Revenues and Astros Payments securing all Outstanding Senior Lien Bonds, the Series 2020A Bonds, the Series 2020B Bonds, and any Additional Senior Lien Bonds, if and when issued.** The Astros Payments include all amounts received from time to time by the Sports Authority or the Trustee from certain lease payments and royalty payments to be paid to the Sports Authority by the Astros pursuant to the Ballpark Lease and the Ballpark License Agreement, respectively, only through Fiscal Year 2029 (see the definition of “Astros Payments” in “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE”). See “SECURITY FOR THE SERIES 2020 BONDS” and “— Current Status of Astros Payments,” below.

Hotel Occupancy Tax

Pursuant to the provisions of the Enabling Act, the Sports Authority is authorized to impose the Hotel Occupancy Tax on persons who under a lease, concession, permit, right of access, license, contract or agreement, pay for the use or possession of a hotel room within the combined boundaries of the City and the County that costs \$2.00 or more each day and is ordinarily used for sleeping. The Hotel Occupancy Tax equals 2% of the consideration paid to the hotel for the right to use or possess the room. Other provisions of the Texas Tax Code authorize the State, cities and counties meeting certain specified qualifications to impose similar hotel occupancy taxes for other purposes, and such taxes are not pledged to the payment of the Series 2020 Bonds. Under the Enabling Act, “hotel” means any building or buildings in which the public may, for consideration, obtain sleeping accommodations. The term includes hotels, motels, tourist homes, tourist houses, tourist courts, bed and breakfasts, lodging houses, inns, rooming houses, or other buildings where rooms are furnished for a consideration, but does not

include hospitals, sanitariums, certain housing facilities owned or leased and operated by an institution of higher education or nursing homes. "Hotel" also includes a short-term rental, which is the rental of all or a part of a residential property to a person who is not a permanent resident. The consideration paid for the room, for purposes of the Enabling Act, includes the cost of the room only if the room is one ordinarily used for sleeping, and does not include the cost of any food served or personal services rendered to the occupant of such room not related to the cleaning and readying of such room for occupancy. To be subject to the Hotel Occupancy Tax, the occupant's use, possession or right to the use or possession of the sleeping room must be for a period of less than 30 consecutive days.

In addition to the Sports Authority's 2% Hotel Occupancy Tax, the Houston market hotels are subject to a 15% occupancy tax on all short-term (30 days or less) room rentals costing \$2.00 or more per day. The combined 17% occupancy tax is composed of the following: (1) a 6% State sales tax, (2) a 2% County occupancy tax, (3) a 7% City occupancy tax, and (4) the 2% Hotel Occupancy Tax.

On January 28, 2020, Harris County and the Sports Authority executed an agreement with AirBnB, Inc. to facilitate the reporting, collection and remittance of applicable hotel taxes on behalf of certain hosts for booking transactions completed by such hosts and guests on the AirBnB platform. The agreement was effective March 1, 2020.

The Sports Authority's receipts derived from the levy of the Hotel Occupancy Tax constitute a portion of the Trust Estate and are pledged to the payment of the Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds and Third Lien Bonds, so long as any such Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds or Third Lien Bonds remain outstanding. See "INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments" and "INFECTIOUS DISEASE OUTBREAK - COVID-19."

Hotel Occupancy Tax Collection Contract

The Sports Authority has contracted with the County to obtain the services of the Tax Assessor-Collector of Harris County, Texas as assessor and collector of the Hotel Occupancy Tax for the Sports Authority. Such contract automatically renews on an annual basis, commencing on January 1 and ending on December 31 of each year, unless either party provides notice of its intent to terminate such contract by October 1 of any year. The Sports Authority has agreed to compensate the County for the collection of the Hotel Occupancy Tax in an amount equal to one-half of 1% of all Hotel Occupancy Taxes collected on behalf of the Sports Authority, not to exceed \$50,000 in any calendar year (the "County's Collection Fee"). Hotels and other eligible vendors of sleeping accommodations are required to collect the Hotel Occupancy Tax at the time room charges are received from patrons and remit such taxes to the Tax Assessor-Collector of the County. The total Hotel Occupancy Tax collections, less the County's Collection Fee, are required to be paid over to the Sports Authority as soon as practicable after receipt. The Tax Assessor-Collector of the County has agreed to prepare quarterly reports of collection activity for the Sports Authority. See "INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments" and "INFECTIOUS DISEASE OUTBREAK - COVID-19."

Contract for Collection of Delinquent Hotel Occupancy Taxes

The Sports Authority has contracted with the County, on behalf of the Office of Harris County Attorney (the "County Attorney"), for the County Attorney to institute collection efforts, including bringing suits on behalf of the Sports Authority, against persons who are delinquent in the payment of Hotel Occupancy Taxes owed to the Sports Authority. Such contract automatically renews on an annual basis, commencing on January 1 and ending on December 31 of each year, unless either party provides notice of its intent to terminate such contract by December 1 of any year. The County Attorney also performs collection services for hotel occupancy taxes and other amounts owed to the County. In consideration for the services performed by the County Attorney, the Sports Authority has agreed to pay the County a contingent fee equal to 20% of the amount collected by the County Attorney, plus fifty percent of the expenses incurred by the County Attorney.

Vehicle Rental Tax

Pursuant to the Enabling Act, the Sports Authority is authorized to impose the Vehicle Rental Tax on the rental in the City or County of a motor vehicle designed principally to transport persons or property on a public roadway where such rental is not longer than 30 days. The Vehicle Rental Tax is equal to 5% of the gross rental receipts from the rental of a motor vehicle in the City or County. Under the Enabling Act, "motor vehicle" means a

self-propelled vehicle designed principally to transport persons or property on a public roadway and includes a passenger car, van, station wagon, sports utility vehicle and truck. The term “motor vehicle” does not include a trailer, semi-trailer, house trailer, truck having a manufacturer’s rating of more than one-half ton or road building machine; a device moved only by human power; a device used exclusively on stationery rails; farm machinery; or a mobile office. For the purposes of the Enabling Act, “rental” means an agreement by the owner of a motor vehicle to authorize for not longer than 30 days the exclusive use of that vehicle to another for consideration. Auto rental establishments are required to collect the Vehicle Rental Tax at the time the owner of the motor vehicle receives a rental payment.

The State of Texas presently imposes a statewide 10% Vehicle Rental Tax on all short-term motor vehicle rentals (30 days or less) and a 6.25% Vehicle Rental Tax on long-term rentals (above 30 days but below 180 days).

The Sports Authority’s receipts derived from the levy of the Vehicle Rental Tax constitute a portion of the Trust Estate and are pledged to the payment of the Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds and Third Lien Bonds, so long as any such Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds or Third Lien Bonds remain outstanding. See “INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments — Sufficiency of Revenues” and “INFECTIOUS DISEASE OUTBREAK - COVID-19.”

Vehicle Rental Tax Collection Contract

The Sports Authority has contracted with the Office of Texas Comptroller of Public Accounts (the “Comptroller”) to provide services to the Sports Authority as the collector of the Vehicle Rental Tax. Such contract automatically renews on an annual basis, commencing on January 1 and ending on December 31 of each year, unless either party provides notice of its intent to terminate such contract by October 1 of any year. In the contract with the Comptroller, the Sports Authority has agreed to reimburse the Comptroller in an amount not to exceed \$50,000 annually (the “Comptroller Collection Charges”) for actual costs associated with such collection services in accordance with instructions received from the Comptroller, and the Comptroller is authorized to withhold any such amounts from the amount of Vehicle Rental Tax proceeds collected by the Comptroller. To date, the Comptroller has not required the payment of the Comptroller Collection Charges.

The Comptroller collects the statewide Vehicle Rental Tax on behalf of the State of Texas. Prior to October 1, 1997, collection of Vehicle Rental Taxes by the Comptroller had not been segregated by counties or cities. As a result, the Comptroller has developed information systems to collect the Vehicle Rental Tax on behalf of the Sports Authority and certain other counties and cities.

On or before the last day of each month, the owners of vehicles which are subject to the Vehicle Rental Tax are required to report and send to the Comptroller the taxes collected on behalf of the Sports Authority for the preceding month. Pursuant to the agreement between the Sports Authority and the Comptroller, the Comptroller is required to send tax returns to taxpayers no later than the tenth day of the month in which the Vehicle Rental Tax is due. Taxes collected by the Comptroller are to be remitted to the Sports Authority by the tenth day of each month following the month in which the taxes are actually collected by the Comptroller.

Astros Payments

The Astros Payments include certain lease payments (the “Base Rent”) and royalty payments (the “Royalty Payments”) received by the Sports Authority from the Astros pursuant to the Ballpark Lease and the Ballpark License Agreement, respectively. See “Agreements Relating to Minute Maid Park” and the definition of “Astros Payments” in APPENDIX C hereto. Pursuant to the Ballpark Lease and the Ballpark License Agreement, as more fully described below, the Astros currently are required to pay to the Sports Authority \$4,400,000 per year as Base Rent and \$1,200,000 per year of Royalty Payments, payable in equal installments each April 1 and October 1 through October 1, 2029. The Astros Payments are only pledged to the Trust Estate through Fiscal Year 2029 in the maximum amount of \$4,600,000 per year (which consists of the \$1,200,000 Royalty Payment and \$3,400,000 of the Base Rent payment). Beginning April 1, 2030 through the current term of the Ballpark Lease of March 31, 2050, the Astros have agreed to pay Base Rent in the amount of \$5,400,000 per year and \$1,200,000 as Royalty Payments. Such payments beginning April 1, 2030 are not pledged to the Trust Estate. (See below “— Agreements Relating to Minute Maid Park – *Ballpark Lease*” for a description of the amount of the rent that must be deposited in the Asset Renewal and Replacement Fund.) In certain circumstances, such agreements with the Astros may be terminated by the Astros, and the Astros’ payment obligations may be reduced in the event and to the extent the Sports Authority imposes certain future taxes related to Minute Maid Park. As described in “— Agreements Relating to Minute Maid Park — *Ballpark Lease*” and “— *Ballpark License Agreement*,” below, the Astros may request a credit against

Base Rent and Royalty Payments pursuant to the Ballpark Lease and the Ballpark License Agreement due to certain circumstances where baseball games are prohibited from being played at Minute Maid Park. See “— Current Status of Astros Payments” for the Astros request for such credits against Base Rent and Royalty Payments. **For a description of certain limitations with respect to the pledge and application of Astros Payments in respect of Tax-Exempt Bonds (which includes the Series 2020A Bonds), see “SECURITY FOR THE SERIES 2020 BONDS — Trust Estate.”** See also, “Agreements Relating to Minute Maid Park,” “SECURITY FOR THE SERIES 2020 BONDS,” “INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments — *Sufficiency of Astros Payments*,” and “INFECTIOUS DISEASE OUTBREAK - COVID-19.”

Current Status of Astros Payments

In a March 26, 2020 letter to the Sports Authority, the Astros requested Rent and Royalty Credits (defined below) for four Astros Games scheduled to be played at Minute Maid Park and any other future cancelled home games. The Astros allege that they are due Rent and Royalty Credits because the baseball season has been reduced by 53 games as a result of governmental orders issued due to the Pandemic. The Astros have taken a \$1,176,000 credit against Rent due October 1, 2020. Whether the Astros are entitled to additional credits is still under review by the Authority. The Authority anticipates that if baseball home games in future baseball seasons are reduced the Astros will request additional Rent and Royalty Credits.

Agreements Relating to Minute Maid Park

Effective June 17, 1998, the Sports Authority entered into various agreements with the Astros which embody the obligation of the Astros to lease Minute Maid Park for a term of 30 years, commencing in March 2000 (the “Original Astros Agreement”). Effective April 1, 2018, the Sports Authority entered into the First Omnibus Amendment of the Minute Maid Park Principal Project Documents (the “Omnibus Amendment”) extending the term of the Baseball Lease, Baseball License Agreement and Ballpark Non-Relocation Agreement to March 31, 2050, subject to early termination by the Astros effective March 31, 2035, in certain instances described in “— Ballpark Lease,” below. The following is a summary of the major points of certain of the Ballpark Lease, the Ballpark License Agreement and the Ballpark Non-Relocation Agreement, each as amended. The original counterparty under each of the Ballpark Lease, the Ballpark License Agreement and the Ballpark Non-Relocation Agreement entered into by the Sports Authority was Houston McLane Company, Inc. (d/b/a Houston Astros Baseball Club), which was subsequently converted into a Texas limited liability company and renamed Houston McLane Company, LLC. In November 2011, HBP Team Holdings, LLC, an entity controlled by James R. Crane, purchased all membership interests in Houston McLane Company, LLC and changed its name to Houston Astros, LLC. Accordingly, the current counterparty under each of the Ballpark Lease, the Ballpark License Agreement and the Ballpark Non-Relocation Agreement is Houston Astros, LLC (the “Astros”). None of the Ballpark Lease, the Ballpark License Agreement or the Ballpark Non-Relocation Agreement were amended in connection with such transaction, and the Sports Authority acknowledged that such transaction was a permitted transfer under the terms of the Ballpark Lease. Copies of the principal documents entered into in connection with the financing, development, use and occupancy of Minute Maid Park, including the documents described below, are available from the Sports Authority upon request and payment of reproduction costs.

Ballpark Lease. The stadium lease for Minute Maid Park (the “Ballpark Lease”) originally had a primary term of 30 years that commenced on March 30, 2000 following the date of partial substantial completion of Minute Maid Park. The Omnibus Amendment provides for a 20 year extension of the lease term to March 31, 2050, subject to early termination by the Astros effective March 31, 2035, in certain instances described in this section below. The Astros also have the option (provided no uncured default exists) to extend the term of the Ballpark Lease for up to two consecutive periods of five years each. Rental payments during each renewal period will be negotiated between the parties at the time the Astros exercise each renewal option.

The Base Rent currently to be paid by the Astros under the Ballpark Lease is \$4,400,000 per year. (See “Ballpark License Agreement” below regarding the Astros obligation to pay an additional \$1,200,000 per year to the Sports Authority as Royalty Payments.) In addition, the Astros are obligated through October 1, 2029 to deposit annually the sum of \$3,250,000 (\$750,000 shall come directly from the \$4,400,000 Base Rent described above) into an Asset Renewal and Replacement Fund (the “ARR Fund”) to ensure that sufficient dollars are available for the Astros to perform all capital repairs at Minute Maid Park. In addition on April 1, 2030 until the expiration of the Ballpark Lease, the Base Rent will increase to \$5,400,000, provided, \$5,300,000 of Base Rent along with an additional \$2,500,000 and also the \$1,200,000 Royalty Payment is to be deposited to the ARR Fund to satisfy the full ARR requirement of \$9,000,000. As described above in “—Astros Payments,” the Astros Payments are only

pledged to the Trust Estate through Fiscal Year 2029 in the maximum amount of \$4,600,000 per year. The ARR Fund is pledged to the Sports Authority to secure any amounts due as a result of a default by the Astros under the Ballpark Lease or any of the other development documents, but the ARR Fund is not pledged to, or otherwise available to pay debt service on, any Senior Lien, Second Lien, Junior Lien or Third Lien Bonds, including the Series 2020 Bonds. The Astros' obligation to perform capital repairs is not limited to the amounts on deposit in the ARR Fund.

The Astros are obligated to pay all expenses in connection with the maintenance, use, repair and occupancy of Minute Maid Park necessary to keep and maintain Minute Maid Park in a first-class condition, reasonably consistent with other comparable facilities, subject to certain limited exclusions that are described below.

The Sports Authority is responsible for 50% of any capital repair expenses in excess of \$25,000,000 (adjusted for changes in the consumer price index) incurred as a result of a catastrophic failure of any part of the foundation or structure of Minute Maid Park that is not covered by insurance.

The Astros may temporarily cease paying Base Rent and Royalty Payments during the lease term of the Ballpark Lease if, as a result of a condemnation action, (i) Minute Maid Park is not in compliance with Major League Baseball rules and regulations, (ii) the use of Minute Maid Park is not permitted by applicable laws or (iii) 35 percent or more of the manifested seating area (the official count of spectator seats) is restricted or unusable. In addition, the Astros may temporarily cease paying rent during the term of the Ballpark Lease in the event the use or the occupancy of Minute Maid Park for baseball games is prohibited by a governmental rule enacted by the Sports Authority, the City or the County. In all the above instances, the abatement of Base Rent is equal to \$42,000 for each baseball home game not played at Minute Maid Park and the abatement of the Royalty Payment is equal to \$14,800 for each baseball game not played at Minute Maid Park (collectively, a "Rent and Royalty Credit"). See "— Current Status of Astros Payments" for the Astros request for such credits against Base Rent and Royalty Payments. As described in "INFECTIOUS DISEASE OUTBREAK - COVID-19" herein, due to the Pandemic governmental authorities have imposed certain limitations on social gatherings including sporting events. See "INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments — *Sufficiency of Astros Payments*," and "INFECTIOUS DISEASE OUTBREAK - COVID-19."

Provided the Astros are not in default under the Ballpark Lease, the Ballpark License Agreement or the Ballpark Non-Relocation Agreement, the Astros are entitled to a credit against rent (including any deposits to the ARR Fund) in the event and to the extent the Sports Authority institutes for Minute Maid Park an admissions tax, a parking tax, a facility use tax or any other tax that is not of general applicability in the jurisdiction of the Sports Authority. To date, the Sports Authority has not imposed any such taxes. A sales tax imposed by the Sports Authority throughout its jurisdiction would not entitle the Astros to an abatement of rent. In the event this right of offset is not sufficient to fully credit the Astros for the amount of any such taxes paid by the Astros, the Astros may submit an invoice to the Sports Authority for payment of an amount equal to the excess.

The Astros are permitted to assign their rights under the Ballpark Lease only in connection with a transfer of the Astros baseball franchise and an assumption by the transferee of responsibility for the performance of all obligations of the Astros under the Ballpark Lease, the Ballpark License Agreement, and the Ballpark Non-Relocation Agreement. No transfer of the Ballpark Lease will release the Astros from liability under the Ballpark Lease or any other agreement unless the transferee (or, in certain instances, any controlling person of the transferee) (i) has not been subject to bankruptcy proceedings or criminal proceedings during the previous seven years, (ii) has a debt to equity ratio of not greater than 3.25 to 2.0 after giving effect to the transfer, (iii) has a financial net worth after giving effect to the transfer of not less than \$50,000,000 (as adjusted by the consumer price index) and (iv) is approved by Major League Baseball. In addition, the Sports Authority has the right to approve any transfer of a controlling equity interest in the Astros if the controlling person of the proposed transferee has been subject to bankruptcy proceedings or felony criminal proceedings during the previous seven years.

The Astros have the right to terminate the Ballpark Lease in the event (i) substantially all of the improvements are damaged or destroyed by casualty during the final three (3) years of the term or (ii) any portion of Minute Maid Park shall be damaged or destroyed by casualty which creates an untenable condition and the then applicable governmental rules prohibit the resolution of Minute Maid Park under any circumstances so as to eliminate such untenable condition. Additionally, the Ballpark Lease and all other project documents automatically terminate if title to all or substantially all of the improvements are taken in any condemnation action other than for a temporary use or occupancy that is for one (1) year or less in the aggregate. Disputes between the parties under the

Ballpark Lease will be resolved pursuant to alternative dispute resolution procedures such as mediation and arbitration.

Under the Omnibus Amendment, the Sports Authority is obligated to use commercially reasonable efforts to increase the vehicle rental tax and hotel occupancy tax, to issue debt secured by such increases and to provide one-third (1/3) of the net proceeds from such debt to the Astros to be used for capital repairs and improvements at Minute Maid Park. Additionally, the Sports Authority must use commercially reasonable efforts to issue debt secured by existing vehicle rental tax and hotel occupancy tax and to provide one-third (1/3) of the net proceeds from such debt to the Astros to be used for capital repairs and improvements to Minute Maid Park. The Astros have the option to terminate the Ballpark Lease, the Ballpark License Agreement and the Ballpark Non-Relocation Agreement effective March 31, 2035, if additional funding is not secured by either of the avenues described above by December 31, 2030.

Ballpark License Agreement. The license agreement between the Astros and the Sports Authority (the “Ballpark License Agreement”) has the same term and option for renewal as the Ballpark Lease. Pursuant to the Ballpark License Agreement, the Astros are granted the exclusive right to any naming rights, advertising rights, broadcast rights and telecommunications rights pertaining to Minute Maid Park. The annual royalty (“Royalty Payments”) to be paid by the Astros under the Ballpark License Agreement is \$1,200,000. Beginning April 1, 2030, the Royalty Payment is to be deposited into the AAR Fund. The Astros’ offset rights with regard to rentals under the Ballpark Lease concerning certain condemnation and governmental rules also apply to the Royalty Payments due under the Ballpark License Agreement. Such credits against Royalty Payments equal to \$14,800 for each baseball game not played at Minute Maid Park under certain circumstances described in the Ballpark License Agreement. See “— Ballpark Lease” and “— Current Status of Astros Payments for the Astros request for such credits against Base Rent and Royalty Payments,” above.

Additionally, the Royalty Payments may be reduced in the event the Sports Authority imposes future taxes which permit a credit against the rentals payable under the Ballpark Lease. The rights and obligations of the Astros under the Ballpark License Agreement may be transferred only in accordance with the terms and provisions set forth in the Ballpark Lease. Disputes between the parties under the Ballpark License Agreement will be resolved pursuant to alternative dispute resolution procedures such as mediation and arbitration.

Ballpark Non-Relocation Agreement. Pursuant to a non-relocation agreement (the “Ballpark Non-Relocation Agreement”) entered into between the Sports Authority and the Astros, during the term of the Ballpark Lease, the Astros must play all of their baseball home games in Minute Maid Park, subject to certain limited exceptions. In the event Minute Maid Park becomes unsuitable for the playing of baseball games (as a result of a condition permitting the Astros to abate rent under the Ballpark Lease or as a result of casualty, condemnation or force majeure), the Astros are permitted to play their baseball home games at alternative locations so long as the Astros use commercially reasonable and diligent efforts to cure the condition causing Minute Maid Park to be unsuitable for baseball games. Additionally, the Astros are prohibited from relocating outside the boundaries of the City and the County. The Astros may sell the Astros baseball franchise in accordance with the applicable rules and regulations of Major League Baseball and the terms of the Ballpark Lease.

In the event the Astros default under their obligations under the Ballpark Non-Relocation Agreement, the Sports Authority may enforce the terms of the Ballpark Non-Relocation Agreement through declaratory or injunctive relief, including a suit for specific performance. In addition, in the event the Astros violate the covenant not to relocate, the Sports Authority is entitled to recover liquidated damages from the Astros in an amount currently equal to \$100,000,000 increasing to \$150,000,000 on July 1, 2023. Disputes between the parties under the Ballpark Non-Relocation Agreement will be resolved pursuant to alternative dispute resolution procedures such as mediation and arbitration.

Major League Baseball Letter. In a letter to the Sports Authority dated June 15, 1998 (the “Previous MLB Letter”), Major League Baseball and The National League of Professional Baseball Clubs (the “National League Entity”) acknowledged the existence and terms of the Ballpark Non-Relocation Agreement obligation of the Astros to remain in Houston for at least 30 years. Subsequent to the delivery of such letter, the National League Entity and The American League of Professional Baseball Clubs (the “American League Entity”) were dissolved and their functions were assumed by the Office of the Commissioner of Baseball (d/b/a Major League Baseball). In connection with the change in ownership of the Astros (see “DESCRIPTION OF PLEDGED REVENUES — Agreements Relating to Minute Maid Park”), the Sports Authority obtained a letter dated November 22, 2011, in which Major League Baseball confirmed that the Previous MLB Letter remains in effect with respect to Major

League Baseball itself and as successor to the National League Entity and the American League Entity, as if the American League Entity had signed the Previous MLB Letter.

Convention Industry and Hosting of Major Sporting Events

Houston is the largest city in Texas and the fourth largest in the nation. The 2020 population of the current metro area of Houston is 6,371,000. Harris County is the third largest county in the U.S. with a population of 4,713,325. In 2019, the Port of Houston ranked first in foreign tonnage and second in total tonnage among ports in the United States. Leading industries include energy, engineering, construction, real estate, aerospace, medicine and health care, transportation, and technology and biotechnology. In addition to these industries, the County, City and region are home to numerous cultural, performing and visual arts facilities, including the “Theater District” located in the City’s central business district, which includes Jones Hall, Wortham Theater System, Alley Theatre and the Hobby Center for the Performing Arts, among other venues. Beyond these venues, there are a number of other facilities, pavilions, arenas, and stadiums (including the Approved Venue Projects) that host cultural and other events.

The Sports Authority actively promotes the use of its Approved Venue Projects for various regional and national events. The development and multi-use management of the Approved Venue Projects and BBVA Stadium have assisted in making the Houston region a destination for various events. Between these venues, there is an average of 1300 events per year with approximately 10 million attendees. Over the past ten years, major events include the National Basketball Association (NBA) All-Star Game, National Football League (NFL) Super Bowl, 2011 and 2016 National Collegiate Athletics Association (NCAA) Men’s Final Four Championship, 2014 USA Track and Field National Championships, 2015 NCAA Men’s Basketball Regional, 2016 Amateur Athletic Union Junior Olympics, 2018 NCAA DII Women’s Golf Championships and 2019 NCAA DIII Women’s Golf Championships. To support these events, the Houston region has more than 80,000 hotel rooms with approximately 8,000 located in the Houston downtown area. “INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments ” and “INFECTIOUS DISEASE OUTBREAK - COVID-19.”

Schedule 2 — Historical Revenues

The following schedule reflects the historical receipts by the Sports Authority of the Hotel Occupancy Tax and the Vehicle Rental Tax for fiscal years 1998 through 2019. Such table was prepared using the cash basis of accounting, and, therefore, such schedule reflects the amounts that were received by the Sports Authority for the periods shown. The information contained in the schedule below was obtained from the financial records of the Sports Authority.

	Hotel Occupancy Tax Receipts	Annual Increase (Decrease)	Vehicle Rental Tax Receipts	Annual Increase (Decrease)	Total Revenues	Annual Increase (Decrease)
1998	\$12,301,859	-	\$15,835,350	-	\$28,137,209	-
1999	12,918,660	5.01%	15,775,458	(0.38)%	28,694,118	1.98%
2000	13,787,433	6.72%	17,128,676	8.58%	30,916,109	7.74%
2001	14,384,583	4.33%	18,163,444	6.04%	32,548,027	5.28%
2002	13,998,929	(2.68)%	16,523,488	(9.03)%	30,522,417	(6.22)%
2003	13,298,502	(5.00)%	15,627,173	(5.42)%	28,925,675	(5.23)%
2004	14,566,636	9.54%	16,149,831	3.34%	30,716,466	6.19%
2005	15,482,474	6.29%	17,536,627	8.59%	33,019,102	7.50%
2006	18,794,023	21.39%	19,513,016	11.27%	38,307,038	16.01%
2007	20,466,630	8.90%	21,501,970	10.19%	41,968,601	9.56%
2008	22,360,519	9.25%	22,015,379	2.39%	44,375,898	5.74%
2009	18,835,763	(15.76)%	20,356,747	(7.53)%	39,192,510	(11.68)%
2010	19,049,707	1.14%	19,711,862	(3.17)%	38,761,569	(1.10)%
2011	21,366,171	12.16%	20,831,559	5.68%	42,197,730	8.86%
2012	24,319,959	13.82%	22,668,361	8.82%	46,988,320	11.35%
2013	28,052,566	15.35%	24,656,156	8.77%	52,708,722	12.17%
2014	31,246,373	11.39%	26,584,694	7.82%	57,831,067	9.72%
2015	30,588,046	(2.11)%	26,457,483	(0.48)%	57,045,529	(1.36)%
2016	28,449,564	(6.99)%	25,442,425	(3.84)%	53,891,989	(5.53)%
2017	30,247,661	6.32%	25,080,015	(1.42)%	55,327,676	2.66%
2018	33,988,706	12.37%	25,903,579	3.28%	59,892,285	8.25%
2019	32,412,164	(4.64)%	26,681,675	3.00%	59,093,839	(1.33)%

Receipts of the Hotel Occupancy Tax and the Vehicle Rental Tax for the period of January 1, 2020 through July 31, 2020 on a cash basis were \$14,973,252 and \$10,055,938, respectively, for total Revenues of \$25,029,190, as adjusted, for such period. (See the following paragraph for adjustments made to the Vehicle Rental Tax receipts for 2020 due to certain overpayments.) Receipts of the Hotel Occupancy Tax and Vehicle Rental Tax for the period of January 1, 2019 through July 31, 2019 on a cash basis were \$19,834,681 and \$14,426,152, respectively for total Revenues of \$34,260,833. Hotel Occupancy Tax receipts for 2020 over the same period for 2019 decreased by 24.51%. Vehicle Rental Tax receipts for 2020 over the same period for 2019 decreased by 30.29%. For purposes of meeting the requirements of the Additional Bonds Test in connection with the issuance of the Series 2020 Bonds, the Sports Authority expects to use Revenues for the period June 1, 2019 through May 30, 2020. See “INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments,” and “INFECTIOUS DISEASE OUTBREAK - COVID-19.”

Motor vehicle rental taxpayers may make prepayments based on the Vehicle Rental Tax they paid for the same report period the prior year. The downturn in tourism caused by the Pandemic has had a major impact on the rental car market. Certain car rental companies overpaid in April, May and June 2020 and were entitled to refunds. The overpayment credits totaled \$1,623,719.71. The Sports Authority has adjusted the reported Vehicle Rental Tax collections described herein to remove the impact of total overpayments and reflect the amounts each month that should have been received if no overpayments had occurred.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Schedule 3 — Top Ten HOT Taxpayers for Fiscal Year 2019

<u>Name</u>	<u>Total Collections⁽¹⁾</u>
Houston Marriott Marquis	\$1,174,486
Hilton Americas Houston	1,080,113
Hyatt Regency Houston	694,491
Four Seasons Hotel	498,069
Houston Airport Marriott	448,522
Westin Galleria Houston	433,376
The Post Oak Hotel	399,913
Marriott Galleria	396,890
Marriott Houston Westchase	370,347
Marriott Houston Medical Center	<u>367,505</u>
	\$5,863,712

For Fiscal Year 2019, the top ten taxpayers represent approximately 18% of Hotel Occupancy Tax receipts of the Sports Authority. See “Schedule 2 — Historical Revenues,” above.

Source: Office of the Harris County Tax Assessor Collector

⁽¹⁾ Due to COVID-19 collections have materially declined in 2020. See “INFECTIOUS DISEASE OUTBREAK - COVID-19.”

SECURITY FOR THE SERIES 2020 BONDS

Limited Obligations

The Series 2020 Bonds are special limited obligations of the Sports Authority that, together with the outstanding Senior Lien Bonds, Second Lien Bonds, Junior Lien Bonds and Third Lien Bonds and any Additional Senior Lien Bonds, Additional Second Lien Bonds, Additional Junior Lien Bonds and Additional Third Lien Bonds, if and when issued under the Indenture, are payable from and secured by a lien on the Trust Estate created under the Indenture, as described below. The Series 2020A and Series 2020B Bonds are being issued as Senior Lien Bonds pursuant to the Indenture. The Series 2020C Bonds are being issued as Second Lien Bonds pursuant to the Indenture. The liens of the Indenture on Revenues and Astros Payments securing all Outstanding Second Lien Bonds, the Series 2020C Bonds and any Additional Second Lien Bonds, if and when issued, is junior and subordinate in all respects to the liens on Revenues and Astros Payments securing all Outstanding Senior Lien Bonds, the Series 2020A Bonds, the Series 2020B Bonds, and any Additional Senior Lien Bonds, if and when issued. The liens of the Indenture on Revenues and Astros Payments securing the Outstanding Junior Lien Bonds and any Additional Junior Lien Bonds, if and when issued, are junior and subordinate in all respects to the liens on Revenues and Astros Payments securing all Senior Lien Bonds (including the Series 2020A Bonds and the Series 2020B Bonds) and Second Lien Bonds (including the Series 2020C Bonds). The liens of the Indenture on Revenues securing the outstanding Third Lien Bonds or additional Third Lien Bonds, if and when issued, are junior and subordinate in all respects to the liens on Revenues securing all Senior Lien Bonds (including the Series 2020A Bonds and the Series 2020B Bonds), Second Lien Bonds (including the Series 2020C Bonds) and Junior Lien Bonds. See “Additional Senior, Second, Junior and Third Lien Bonds,” below. See “— Current Status of Astros Payments,” below and “INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros.”

Trust Estate

The Trust Estate includes all of the Sports Authority’s right, title and interest, now owned or hereafter acquired, in and to the Revenues, the Astros Payments, the moneys deposited or required to be deposited in, and investments held in, the Pledged Accounts, certain other accounts and subaccounts and certain third party credit agreements. The Revenues include all amounts received from time to time by the Sports Authority or the Trustee from the Sports Authority’s Hotel Occupancy Tax and Vehicle Rental Tax, as more fully described herein. The Astros Payments include certain lease payments and royalty payments to be paid to the Sports Authority by the Astros, as more fully described herein. See “DESCRIPTION OF PLEDGED REVENUES.” The Astros Payments (subject to the limitations described below) will be pledged to secure the payment of the Series 2020 Bonds and all Outstanding Bonds, which does not include Third Lien Bonds (with the Astros Payments being subject to the

priority for the application thereof for Senior Lien Bonds, Second Lien Bonds and Junior Lien Bonds, as set forth in the Indenture). The Astros Payments are only pledged to the Trust Estate through Fiscal Year 2029 in the maximum amount of \$4,600,000 per year. See “— Current Status of Astros Payments,” “INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros,” and “INVESTMENT CONSIDERATIONS — Limited Obligations.”

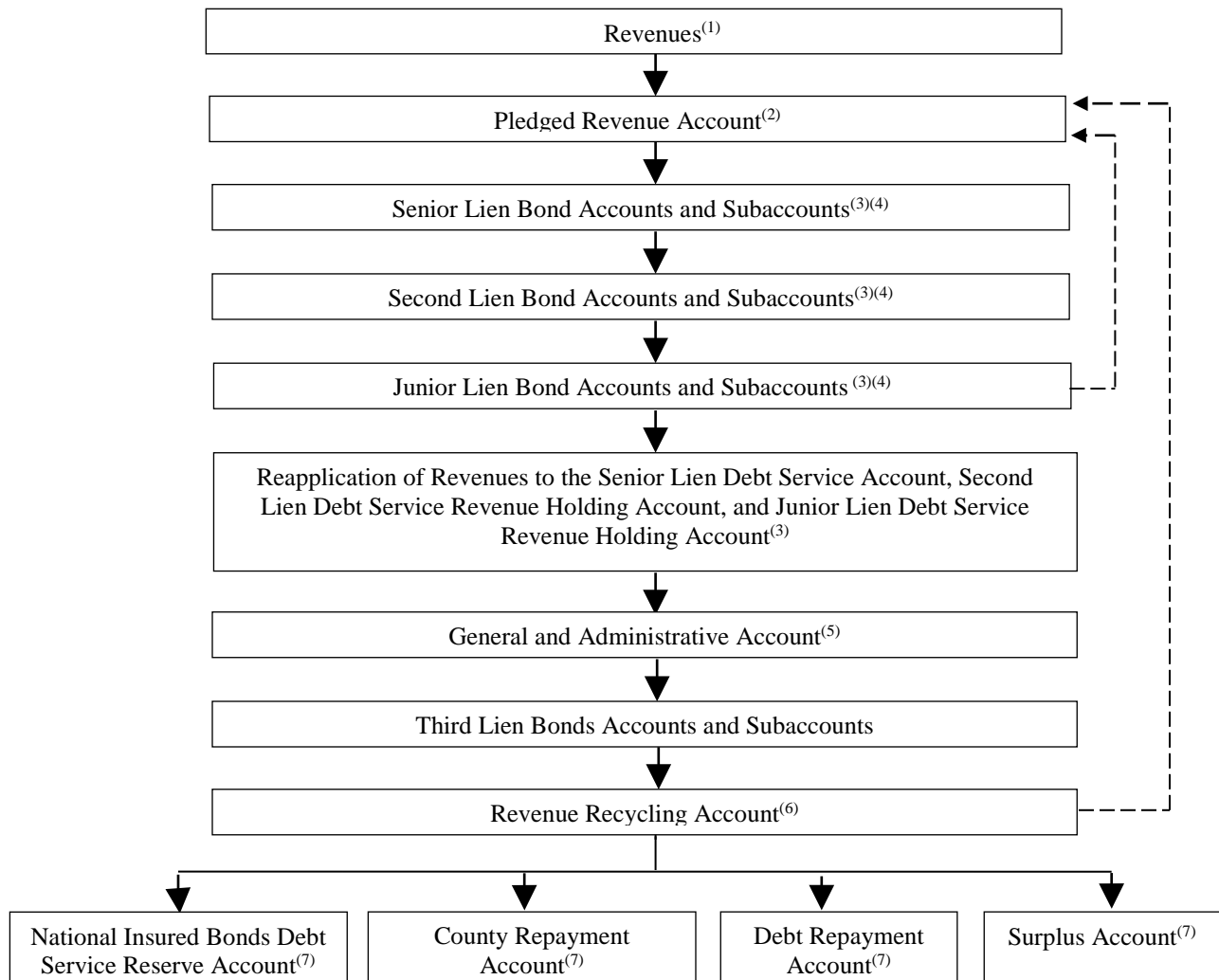
Pursuant to the terms of the Indenture, the pledge of the Astros Payments (including the application thereof) with respect to Tax-Exempt Bonds is limited to the Allowed Special Revenue Amount. Accordingly, Astros Payments may be applied to the payment of debt service on the Series 2020A Bonds, and any other series of Outstanding Bonds and Additional Bonds (to which Astros Payments are pledged) constituting Tax-Exempt Bonds, only to the extent of the Allowed Special Revenue Amount from time to time applicable to such Bonds. Astros Payments may be applied without limitation to the payment of debt service on the Series 2020B Bonds, the Series 2020C Bonds and any Additional Bonds (to which Astros Payments are pledged) constituting Taxable Bonds. See “— Current Status of Astros Payments,” “— Flow of Funds for Astros Payments” and “INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments — *Sufficiency of Astros Payments.*” Pursuant to the terms of the Master Indenture, the Astros Payments may be pledged to secure the payment of any Additional Bonds, if such pledge is provided therefor in the Supplemental Indenture authorizing the issuance of such Additional Bonds, and Astros Payments are included in Pro Forma Available Revenues for the purposes of issuing certain Additional Bonds. See “— Additional Senior, Second and Junior Lien Bonds.”

The Pledged Accounts include the Senior Lien Debt Service Account and the Senior Lien Debt Service Reserve Account (both with respect to Senior Lien Bonds), the Second Lien Debt Service Account and the Second Lien Debt Service Reserve Account (both with respect to Second Lien Bonds), the Junior Lien Debt Service Account and the Junior Lien Debt Service Reserve Account (both with respect to Junior Lien Bonds), the Pledged Revenue Account, the Second Lien Debt Service Revenue Holding Account (with respect to Second Lien Bonds), the Junior Lien Debt Service Holding Account (with respect to the Junior Lien Bonds), the Costs of Issuance Account, the Construction Account (to the extent not required for Costs of an Authorized Venue Project), and any other Account hereafter so designated. The Trust Estate also includes certain other accounts, as set out in APPENDICES C and D. The accounts and funds established in the Trust Estate and pledged to the Senior Lien Bonds, Second Lien Bonds and Junior Lien Bonds are not pledged to the Third Lien Bonds. The Sports Authority’s obligation to make transfers of the Revenues and Astros Payments to the credit of the various Pledged Accounts is summarized below under “— Flow of Funds for Revenues” and “— Flow of Funds for Astros Payments,” respectively. See also, “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE” and “APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES.”

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Flow of Funds for Revenues

Diagram. Set forth below is a diagram summarizing the application of Revenues, and the priority therefor, under the terms of the Indenture as amended by the Thirty-First Supplemental Indenture. Such diagram does not purport to be comprehensive or definitive and is qualified in its entirety by reference to the Indenture. See “– Flow of Funds for Revenues — *Flow of Funds*,” “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE” and “APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES — *Thirty-First Supplemental Indenture*.” For a diagram summarizing the application of Astros Payments under the terms of the Indenture, see “– Flow of Funds for Astros Payments — *Diagram*.”



(1) Revenues include the receipts from the Hotel Occupancy Tax and the Vehicle Rental Tax.

(2) Revenues are applied on a monthly basis from the Pledged Revenue Account after the application of any Astros Payments from the Astros Payment Subaccount. See “Flow of Funds for Astros Payments.” Subject to the terms of the Indenture, upon the deposit of Astros Payments to certain Accounts, Revenues will be immediately released from certain Accounts and deposited into the Pledged Revenue Account. See “– Flow of Funds for Astros Payments” and “– Current Status of Astros Payments.”

(3) Revenues in respect of debt service due on Senior Lien Bonds are deposited into each Senior Lien Interest Subaccount and Senior Lien Principal Subaccount. Revenues in respect of debt service due on Second Lien Bonds and Junior Lien Bonds are deposited into the Second Lien Debt Service Revenue Holding Account and the Junior Lien Debt Service Revenue Holding Account, respectively.

(4) Revenues to be deposited in respect of debt service due on Senior Lien Bonds, Second Lien Bonds and Junior Lien Bonds are in an amount equal to one-twelfth of all debt service due in any Bond Year, plus any Cumulative Payment Deficit. Includes any amounts required to be deposited into the Debt Service Reserve Accounts.

- (5) See “– Flow of Funds for Revenues – *Flow of Funds*” clause G. See “APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES — *Thirty-First Supplemental Indenture*.”
- (6) See “– Flow of Funds For Revenues — Flow of Funds” for a description of the amount of Revenues to be deposited into the Revenue Recycling Account. Amounts on deposit in the Revenue Recycling Account will be recycled through the Flow of Funds monthly through June 15, 2024. On June 15, 2024, all amounts in the Revenue Recycling Account shall be applied as described in “– Revenue Recycling Account,” below and shall terminate and have no effect on or after June 15, 2024, and thereafter be deleted from the Indenture. See “APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES — *Thirty-First Supplemental Indenture*.”
- (7) See “– Flow of Funds For Revenues — *Flow of Funds*” for a description of the amount of Revenues to be deposited into each of the National Insured Bonds Debt Service Reserve Account, County Repayment Account, Debt Repayment Account and Surplus Account.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Flow of Funds. The Revenues will be deposited by the Trustee promptly as received into the Pledged Revenue Account and will be transferred once per month (on or before the tenth day thereof) to the other Accounts and Subaccounts in the amounts and in the order of priority as set forth below.

A. To the Accounts and Subaccounts for the benefit of the Senior Lien Bonds, as follows:

1. To each Senior Lien Interest Subaccount, an amount equal to 1/12th of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year (whether or not any such Interest Payment Period ends within such current Bond Year) with respect to the applicable Senior Lien Bonds, plus, for any month, the Cumulative Payment Deficit, until the full amount of such interest has been accumulated for the current Bond Year, subject to credits for capitalized interest and certain other deposits.
2. To each Senior Lien Principal Subaccount, an amount equal to 1/12th of the principal due on the next succeeding November 15 on the applicable Senior Lien Bonds, whether by stated maturity or pursuant to Mandatory Sinking Fund Requirements, plus, for any month, the Cumulative Payment Deficit, until the full amount of such principal has been accumulated for the current Bond Year, subject to credits for certain other deposits.
3. To each other Subaccount within the Senior Lien Debt Service Account, the Rebate Account for Senior Lien Bonds, and the Senior Lien Debt Service Reserve Account (and each Subaccount therein, if any), in the amounts and in the priority as set forth in the Indenture. For a detailed description of such transfers, see “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE.”

B. To the Accounts and Subaccounts for the benefit of the Second Lien Bonds, as follows:

1. To the Second Lien Debt Service Revenue Holding Account, an amount equal to 1/12th of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year (whether or not any such Interest Payment Period ends within such current Bond Year) with respect to all Second Lien Bonds, plus, for any month, the Cumulative Payment Deficit, until the full amount of such interest has been accumulated in the Second Lien Interest Subaccounts for the current Bond Year, subject to credits for capitalized interest and certain other deposits.
2. To the Second Lien Debt Service Revenue Holding Account, an amount equal to 1/12th of the principal due on the next succeeding November 15 on all Second Lien Bonds, whether by stated maturity or pursuant to Mandatory Sinking Fund Requirements, plus, for any month, the Cumulative Payment Deficit, until the full amount of such principal has been accumulated in the Second Lien Principal Subaccounts for the current Bond Year, subject to credits for certain other deposits.

Amounts in the Second Lien Debt Service Revenue Holding Account will be applied (i) first, on the date of monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, to each Senior Lien Debt Service Subaccount an amount equal to any deficiency in the balance held in such Senior Lien Debt Service Subaccount for the payments of principal of and interest on the related Senior Lien Bonds due on the next May 15 or November 15, (ii) second, on the date of monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, to each Second Lien Debt Service Subaccount an amount equal to any deficiency in the balance held in such Second Lien Debt Service Subaccount for the payments of principal of and interest on the related Second Lien Bonds due on the next May 15 or November 15, and (iii) as further provided in the Indenture. For a detailed description of such transfers, see “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE.”

3. To each other Subaccount within the Second Lien Debt Service Account, the Rebate Account for Second Lien Bonds, and the Second Lien Debt Service Reserve Account (and each Subaccount therein, if any), in the amounts and in the priority as set forth in the Indenture. For a detailed description of such transfers, see “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE.”

C. To the Accounts and Subaccounts for the benefit of the Junior Lien Bonds, as follows:

1. To the Junior Lien Debt Service Revenue Holding Account, an amount equal to 1/12th of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year (whether or not any such Interest Payment Period ends within such current Bond Year) with respect to all Junior Lien Bonds, plus, for any month, the Cumulative Payment Deficit, until the full amount of such interest has been accumulated in the Junior Lien Interest Subaccounts for the current Bond Year, subject to credits for capitalized interest and certain other deposits.
2. To the Junior Lien Debt Service Revenue Holding Account, an amount equal to 1/12th of the principal due on the next succeeding November 15 on all Junior Lien Bonds, whether by stated maturity or pursuant to Mandatory Sinking Fund Requirements, plus, for any month, the Cumulative Payment Deficit, until the full amount of such principal has been accumulated in the Junior Lien Principal Subaccounts for the current Bond Year, subject to credits for certain other deposits.

Amounts in the Junior Lien Debt Service Revenue Holding Account will be applied (i) first, on the date of monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, to each Senior Lien Debt Service Subaccount an amount equal to any deficiency in the balance held in such Senior Lien Debt Service Subaccount for the payments of principal of and interest on the related Senior Lien Bonds due on the next May 15 or November 15, (ii) second, on the date of monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, to each Second Lien Debt Service Subaccount an amount equal to any deficiency in the balance held in such Second Lien Debt Service Subaccount for the payments of principal of and interest on the related Second Lien Bonds due on the next May 15 or November 15, (iii) third, on the date of monthly distribution by the Trustee of the Pledged Revenue Account immediately preceding the next May 15 or November 15, to each Junior Lien Debt Service Subaccount an amount equal to any deficiency in the balance held in such Junior Lien Debt Service Subaccount for the payments of principal of and interest on the related Junior Lien Bonds due on the next May 15 or November 15, and (iv) as further provided, and in the priority set forth, in the Indenture. For a detailed description of such transfers, see “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE.”

3. To each other Subaccount within the Junior Lien Debt Service Account, the Rebate Account for Junior Lien Bonds, and the Junior Lien Debt Service Reserve Account (and each Subaccount therein, if any), in the amounts and in the priority as set forth in the Indenture. For a detailed description of such transfers, see “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE.”

D. To the Rebate Account, at the written direction of the Sports Authority, to the extent of any deficiency.

E. After satisfying each of the preceding requirements, all remaining Revenues shall be reapplied (i) first, to each Subaccount of the Senior Lien Debt Service Account until there has been deposited to such Subaccounts for all Senior Lien Bonds the Adjusted Debt Service Requirement through the earlier of the next May 15 or November 15 for the current Bond Year, (ii) second, to the Second Lien Debt Service Revenue Holding Account for the credit of each Subaccount of the Second Lien Debt Service Account until there has been deposited to such Subaccounts for all Second Lien Bonds the Adjusted Debt Service Requirement through the earlier of the next May 15 or November 15 for the current Bond Year, and (iii) third, to the Junior Lien Debt Service Revenue Holding Account for the credit of each Subaccount of the Junior Lien Debt Service Account until there has been deposited to such Subaccounts for all Junior Lien Bonds the Adjusted Debt Service Requirement through the earlier of the next May 15 or November 15 for the current Bond Year.

F. After satisfying each of the preceding requirements, all remaining Revenues shall be reapplied (i) first, to each Subaccount of the Senior Lien Debt Service Account until there has been deposited to such Subaccounts for all Senior Lien Bonds the Adjusted Debt Service Requirement through the next succeeding November 15 for the current Bond Year, (ii) second, to the Second Lien Debt Service Revenue Holding Account for the credit of each Subaccount of the Second Lien Debt Service Account until there has been deposited to such Subaccounts for all Second Lien Bonds the Adjusted Debt Service Requirement through the next succeeding November 15 for the current Bond Year, and (iii) third, to the Junior Lien Debt Service

Revenue Holding Account for the credit of each Subaccount of the Junior Lien Debt Service Account until there has been deposited to such Subaccounts for all Junior Lien Bonds the Adjusted Debt Service Requirement through the next succeeding November 15 for the current Bond Year.

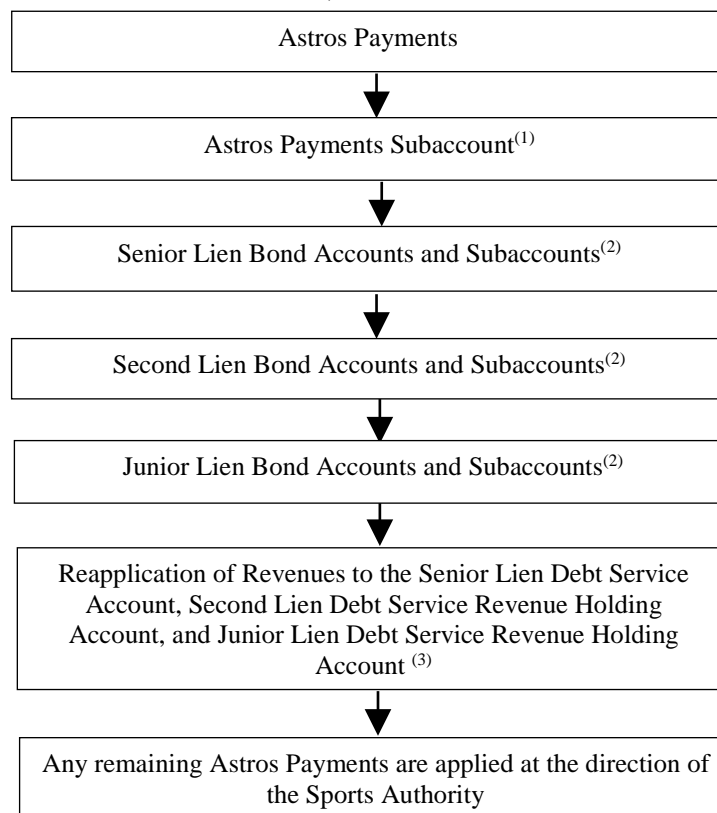
- G. Quarterly in advance commencing on December 1 of each year (with the first quarterly distribution on June 1, 2001), to the General and Administrative Account in an amount equal to one-quarter of the Annual Budgeted General and Administrative Amount in each Bond Year until equal to the Annual Budgeted General and Administrative Amount, or monthly to the extent of any shortfall in such payments; provided, however, that if the Series 2004 Bonds maturing in the year 2032 are then outstanding, for the Bond Year ending in 2032, Revenues shall be deposited to any Third Lien Bonds Subaccount or other debt service account established with respect to any Third Lien Bond until there has been deposited therein the amount required to pay the principal, interest, and other amounts to be due on such Series 2004 Bonds maturing in 2032, and that only after such amount is deposited to such Third Lien Bond accounts are Revenues available for deposit to the General and Administrative Account.
- H. To any Third Lien Bonds Subaccount or other debt service account established with respect to any Third Lien Bonds, but only in amounts and at the times required to pay principal, interest and other amounts thereon as and when due, all as more further provided in any instrument authorizing the series of Third Lien Bonds as permitted.
- H.1 Prior to June 15, 2024, to the Revenue Recycling Account, 100% of remaining Revenues after the above deposits. This clause H.1 will terminate and have no effect on and after June 15, 2024. See “– Revenue Recycling Account,” herein and “APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES — *Thirty-First Supplemental Indenture.*”
- I. Of the remaining Revenues after the above deposits (the “Excess Revenues”), 75% to the National Insured Bonds Debt Service Reserve Account until the balance of such Account is equal to \$10,000,000 and thereafter to make up any deficiency in such Account if the balance falls below \$10,000,000 while the balance of such Account is less than \$10,000,000. See “National Insured Bonds Debt Service Reserve Account.”
- J. Unless (a) the Series 2001H Bonds and the Series 2004A Bonds have been repaid at maturity, or, at the election of the Sports Authority, redeemed, purchased and retired, economically defeased with the approval of National, or defeased, (b) all Credit Provider Reimbursements with respect thereto have been paid, and (c) the 2001C-2 Note has been paid or provided for, to the Debt Repayment Account, at any time when the balance of the National Insured Bonds Debt Service Reserve Account is \$10,000,000 or more, 50% of Excess Revenues. See “Debt Repayment Account.”
- K. While the Series 2001C-1 Note remains Outstanding (note: the Series 2001C-1 Note has been paid in full and is no longer outstanding), to the County Repayment Account 100% of Excess Revenues not deposited to the National Insured Bonds Debt Service Reserve Account or the Debt Repayment Account as provided above. Amounts in the County Repayment Account will be applied to either repay at maturity, or, at the election of the Sports Authority, redeem, purchase and retire, economically defease, or defease the Series 2001C-1 Note, at the direction and discretion of the Sports Authority while the Series 2001C-1 Note remains Outstanding. When the Series 2001C-1 Note is paid or provided for, amounts in the County Repayment Account will, at the written direction of the Sports Authority, be transferred to the Debt Repayment Account unless (a) the Series 2001H Bonds and the Series 2004A Bonds are paid at maturity, or, at the election of the Sports Authority, redeemed, purchased and retired, economically defeased with the approval of National, or defeased, (b) there are no Credit Provider Reimbursements with respect thereto remaining unpaid and (c) the Series 2001C-2 Note is paid or provided for, in which case to the Surplus Account. See “PURPOSE AND PLAN OF FINANCE — Subordinate Obligations of the Sports Authority.”
- L. Unless (a) the Series 2001H Bonds and the Series 2004A Bonds have been repaid at maturity, or, at the election of the Sports Authority, redeemed, purchased and retired, economically defeased with the approval of National, or defeased, (b) all Credit Provider Reimbursements with respect thereto have been paid, and (c) the 2001C-2 Note has been repaid, to the Debt Repayment Account, 100% of any remaining Excess Revenues. See “Debt Repayment Account.”

- M. To the Surplus Account (to be held by the Trustee, but not as part of the Trust Estate), all remaining Revenues. Money held in the Surplus Account may be used at the written direction of the Sports Authority: (1) for transfers to the Debt Service Accounts and Debt Service Reserve Accounts to maintain the required balances therein if no other funds are available for such purposes, (2) for the payment or redemption of Bonds, Third Lien Bonds or other obligations of the Sports Authority, (3) for transfers to the Construction Account or Subaccount thereof to pay Costs of an Approved Venue Project, and (4) for any other purpose relating to any other powers or functions of the Sports Authority now or hereafter authorized by law.

Pursuant to the terms of the Indenture, any interest which is payable on Capital Appreciation Bonds shall be deemed to be due in the Bond Year in which payment is scheduled to be made thereon and, for such purposes, such amounts shall be deemed to be “principal” under paragraphs A.2., B.2. and C.2. above, rather than “interest” under paragraphs A.1., B.1. and C.1. above.

Flow of Funds for Astros Payments

Diagram. Set forth below is a diagram which summarizes the application of Astros Payments, and the priority therefor, under the terms of the Indenture. Such diagram does not purport to be comprehensive or definitive and is qualified in its entirety by reference to the Indenture. As described above in “— Astros Payments,” the Astros Payments are only pledged to the Trust Estate through Fiscal Year 2029 in the maximum amount of \$4,600,000 per year. See “— Current Status of Astros Payments,” “INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros,” “— Flow of Funds for Astros Payments — Flow of Funds,” “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE” and APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES.” For a diagram summarizing the application of Revenues under the terms of the Indenture, see “— Flow of Funds for Revenues — Diagram.”



(footnotes follow on next page)

-
- (1) The Astros Payment Subaccount is applied prior to the application of the Pledged Revenue Account.
- (2) Astros Payments in respect of debt service due on Senior Lien Bonds, Second Lien Bonds and Junior Lien Bonds are deposited in the applicable Interest Subaccounts and Principal Subaccounts of the Senior Lien Debt Service Account, Second Lien Debt Service Account and Junior Lien Debt Service Account, respectively. Astros Payments may be applied to the payment of debt service on the Series 2020A Bonds, and any other series of Outstanding Bonds and Additional Bonds (to which Astros Payments are pledged) constituting Tax-Exempt Bonds, only to the extent of the Allowed Special Revenue Amount from time to time applicable to such Bonds. Astros Payments may be applied without limitation to the payment of debt service on the Series 2020B Bonds and any Additional Bonds (to which Astros Payments are pledged) constituting Taxable Bonds. Astros Payments to be deposited in respect of debt service due on Senior Lien Bonds, Second Lien Bonds and Junior Lien Bonds will be in the amounts described in “Flow of Funds” below.

Flow of Funds. The Indenture establishes a Special Revenue Account and an Astros Payments Subaccount therein. The Astros Payments will be deposited by the Trustee promptly as received into the Astros Payments Subaccount.

- A. If there are amounts in the Astros Payments Subaccount, the Trustee shall transfer such amounts monthly on the same date and immediately before application of the Pledged Revenue Account (as described above in “Flow of Funds for Revenues”), to the other Accounts and Subaccounts in the amounts and in the order of priority as set forth below.
1. First, (i) to the Senior Lien Interest Subaccounts for the Taxable Senior Lien Bonds an amount equal to the total amount of the Senior Monthly Interest Payments (Fixed), or Senior Monthly Interest Payments (non-Fixed), required for such Bonds for the period commencing on the last day on which interest was due and provided for through the earlier of the next May 15 or November 15, as applicable, calculated without regard to prior deposits of Revenues to the Senior Lien Interest Subaccounts for such Bonds, and (ii) to the Senior Lien Interest Subaccounts for the Tax-Exempt Senior Lien Bonds (but only to the extent of the Allowed Special Revenue Amount) an amount equal to the amount of the Senior Monthly Interest Payment (Fixed), or Senior Monthly Interest Payment (non-Fixed), required for any such Bonds for the month of the deposit, giving full credit for any Revenues previously deposited for such Bonds.
 2. Second, (i) to the Senior Lien Principal Subaccounts for the Taxable Senior Lien Bonds an amount equal to the total amount of the Senior Monthly Principal Payments required to be deposited to such Subaccounts for the period commencing on the last day on which interest was due and provided for through the earlier of the next May 15 or November 15, as applicable, calculated without regard to prior deposits of Revenues to the Senior Lien Principal Subaccounts for such Bonds, and (ii) to the Senior Lien Principal Subaccounts for the Tax-Exempt Senior Lien Bonds (but only to the extent of the Allowed Special Revenue Amount) an amount equal to the amount of the Senior Monthly Principal Payment required to be deposited for any such Bonds for the month of the deposit, giving full credit for any Revenues previously deposited for such Bonds.
 3. Third, in the order and to the extent required for Revenues for the month of deposit as described in paragraph A.3. above under “Flow of Funds for Revenues — Flow of Funds,” to the other Subaccounts for Senior Lien Bonds and each Senior Lien Debt Service Reserve Account in accordance with the terms of the Indenture, but only to the extent of the Allowed Special Revenue Amount with respect to Tax-Exempt Bonds.
 4. Fourth, (i) to the Second Lien Interest Subaccounts for the Taxable Second Lien Bonds an amount equal to the total amount of the Second Lien Monthly Interest Payments (Fixed), or Second Lien Monthly Interest Payments (non-Fixed), required for any such Bonds for the period commencing on the last day on which interest was due and provided for through the earlier of the next May 15 or November 15, as applicable, calculated without regard to prior deposits of Revenues to the Second Lien Debt Service Revenue Holding Account for such Bonds, and (ii) to the Second Lien Interest Subaccounts for the Tax-Exempt Second Lien Bonds (but only to the extent of the Allowed Special Revenue Amount) an amount equal to the amount of the Second Lien Monthly Interest Payment (Fixed), or Second Lien Monthly Interest Payment (non-Fixed), required for any

such Bonds for the month of the deposit, giving full credit for any Revenues previously deposited to the Second Lien Debt Service Revenue Holding Account for such Bonds.

5. Fifth, (i) to the Second Lien Principal Subaccounts for the Taxable Second Lien Bonds an amount equal to the total amount of the Second Lien Monthly Principal Payments required to be deposited to such Subaccounts for the period commencing on the last day on which interest was due and provided for through the earlier of the next May 15 or November 15, as applicable, calculated without regard to prior deposits of Revenues to the Second Lien Debt Service Revenue Holding Account for such Bonds, and (ii) to the Second Lien Principal Subaccounts for the Tax-Exempt Second Lien Bonds (but only to the extent of the Allowed Special Revenue Amount) an amount equal to the amount of the Second Lien Monthly Principal Payment required to be deposited for any such Bonds for the month of such deposit, giving full credit for any Revenues previously deposited to the Second Lien Debt Service Revenue Holding Account for such Bonds.
6. Sixth, in the order and to the extent required for Revenues for the month of deposit as described in paragraph B.3. above under “Flow of Funds for Revenues — Flow of Funds,” to the other Subaccounts for Second Lien Bonds and to each Second Lien Debt Service Reserve Account in accordance with the terms of the Indenture, but only to the extent of the Allowed Special Revenue Amount with respect to Tax-Exempt Bonds.
7. Seventh, (i) to the Junior Lien Interest Subaccounts for the Taxable Junior Lien Bonds an amount equal to the total amount of the Junior Monthly Interest Payments (Fixed), or Junior Monthly Interest Payments (non-Fixed), required for any such Bonds for the period commencing on the last day on which interest was due and provided for through the earlier of the next May 15 or November 15, as applicable, calculated without regard to prior deposits of Revenues to the Junior Lien Debt Service Revenue Holding Account for such Bonds, and (ii) to the Junior Lien Interest Subaccounts for the Tax-Exempt Junior Lien Bonds (but only to the extent of the Allowed Special Revenue Amount) an amount equal to the amount of the Junior Monthly Interest Payment (Fixed), or Junior Monthly Interest Payment (non-Fixed), required for such Bonds for the month of the deposit, giving full credit for any Revenues previously deposited to the Junior Lien Debt Service Revenue Holding Account for such Bonds.
8. Eighth, (i) to the Junior Lien Principal Subaccounts for the Taxable Junior Lien Bonds an amount equal to the total amount of the Junior Monthly Principal Payments required to be deposited to such Subaccounts for the period commencing on the last day on which interest was due and provided for through the earlier of the next May 15 or November 15, as applicable, calculated without regard to prior deposits of Revenues to the Junior Lien Debt Service Revenue Holding Account for such Bonds, and (ii) to the Junior Lien Principal Subaccounts for the Tax-Exempt Junior Lien Bonds (but only to the extent of the Allowed Special Revenue Amount) an amount equal to the amount of the Junior Monthly Principal Payment required to be deposited for any such Bonds for the month of the deposit, giving full credit for any Revenues previously deposited to the Junior Lien Debt Service Revenue Holding Account for such Bonds.
9. Ninth, in the order to the extent required for Revenues for the month of the deposit as described in paragraph C.3. above under “Flow of Funds for Revenues — Flow of Funds,” to the other Subaccounts for Junior Lien Bonds and to each Junior Lien Debt Service Reserve Account in accordance with the terms of the Indenture, but only to the extent of the Allowed Special Revenue Amount with respect to such Tax-Exempt Bonds.
10. Tenth, all additional Astros Payments shall be reapplied only for Tax-Exempt Bonds (but only in the amount of the Allowed Special Revenue Amount), (i) *first* to each Subaccount of the Senior Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Tax-Exempt Senior Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year required to be deposited before the earlier of the next May 15 or November 15 (including all the principal required to be deposited on or before the earlier of the next succeeding May 15 or November 15); *second* to each Subaccount of the Second Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Tax-Exempt Second Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year required to be deposited through

the earlier of the next May 15 or November 15 (including all principal required to be deposited on or before the earlier of the next succeeding May 15 or November 15); and *third* to each Subaccount of the Junior Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Tax-Exempt Junior Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year required to be deposited through the earlier of the next May 15 or November 15 (including all principal required to be deposited on or before the earlier of the next succeeding May 15 or November 15).

11. Eleventh, all additional Astros Payments shall be reapplied for both Taxable Bonds and Tax-Exempt Bonds (but only to the extent of the Allowed Special Revenue Amount for Tax-Exempt Bonds), (i) *first* to each Subaccount of the Senior Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Senior Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year (including all of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year and all the principal due on or before the next succeeding November 15); *second* to each Subaccount of the Second Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Second Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year (including all of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year and all the principal due on or before the next succeeding November 15); and *third* to each Subaccount of the Junior Lien Debt Service Account until there has been deposited to such Subaccounts for all Outstanding Junior Lien Bonds the Adjusted Debt Service Requirement for the current Bond Year (including all of the interest accruing or to accrue for all Interest Payment Periods which commence during the current Bond Year and all the principal due on or before the next succeeding November 15).
- 11.5 Eleventh and one-half, prior to June 15, 2024, monthly to the General and Administrative Account until amounts in such Account equal the Annual Budgeted General and Administrative Amount in each Bond Year, and if corresponding amounts of Revenues and amounts from the Revenue Recycling Account have previously been deposited to the General and Administrative Account, and if such Account is otherwise fully funded as of the date of the deposit of Astros Payments under this section then the Trustee shall release such previously deposited amounts from such Account for deposit to the Pledged Revenue Account immediately upon deposit of the Astros Payments.
12. Twelfth, at the written direction of the Sports Authority.

Pursuant to the terms of the Indenture, any interest which is payable from Astros Payments on Capital Appreciation Bonds shall be deemed to be due in the Bond Year in which payment is scheduled to be made thereon and, for such purposes, such amounts shall be deemed to be “principal” under the applicable paragraphs above, rather than “interest.”

- B. If Astros Payments are deposited to the credit of any of the Senior Lien Principal Subaccounts, Senior Lien Interest Subaccounts, Second Lien Principal Subaccounts, Second Lien Interest Subaccounts, Junior Lien Interest Subaccounts, or Junior Lien Principal Subaccounts for a corresponding Series of the Taxable Senior Lien Bonds, Taxable Second Lien Bonds, or Taxable Junior Lien Bonds, and corresponding amounts of Revenues and amounts from the Revenue Recycling Account in such amounts have previously been deposited to the Senior Lien Principal Subaccounts, Senior Lien Interest Subaccounts, Second Lien Debt Service Revenue Holding Account, or Junior Lien Debt Service Revenue Holding Account for such Series of Bonds, and if such Accounts or Subaccounts are otherwise fully funded as of the date of the deposit of Astros Payments under subsection (e), then the Trustee shall release such previously deposited amounts from such Accounts or Subaccounts for deposit to the Pledged Revenue Account immediately upon deposit of the Astros Payments.

Revenue Recycling Account

The Revenue Recycling Account is an Account established pursuant to the terms of the Indenture. See “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE” and “APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES.”

Such Account will be funded over time from Revenues in accordance with the terms of the Indenture. See “– Flow of Funds for Revenues. Prior to June 15, 2024, as set forth in the Indenture, on the same dates and immediately before the application of amounts in the Astros Payment Subaccount and the application of amounts in the Pledged Revenue Account, all amounts in the Revenue Recycling Account will be applied in the amounts and pursuant to the order of priority described in “– Flow of Funds for Revenues - *Flow of Funds*” above. See “– Flow of Funds for Astros Revenues” and “– Flow of Funds for Revenues.” On June 15, 2024, all amounts in the Revenue Recycling Account shall be applied as follows: (1) provided that National Insured Bonds are then Outstanding, to the National Insured Bonds Debt Service Reserve Account to bring the balance in such Account to \$10,000,000 if such balance is less than \$10,000,000; and then (2) provided that National Insured Bonds are then Outstanding the remaining balance to the Debt Repayment Account; and then (3) as otherwise provided in “Flow of Funds for Revenues - *Flow of Funds*” clauses L and M, above. Upon the final application of funds in the Revenue Recycling Account on June 15, 2024, the Revenue Recycling Account will terminate and will be deleted from the Indenture. Prior to June 15, 2024, the provisions of the Indenture related to the “Revenue Recycling Account” may be amended with the written consent of the 2020 Insurer and National, and without the consent of any holder of the Outstanding Bonds; provided that such amendment will not materially prejudice any non-consenting Owner of an Outstanding Bond for which such Designated Credit Providers are not obligated under a Credit Facility for such Outstanding Bonds.

National Insured Bonds Debt Service Reserve Account

The National Insured Bonds Debt Service Reserve Account is an Account established pursuant to the terms of the Master Indenture. See “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE” and “APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES.” Such Account will be funded over time from Revenues in accordance with the terms of the Master Indenture. See “– Flow of Funds for Revenues.” Pursuant to the terms of the Indenture, moneys in the National Insured Bonds Debt Service Reserve Account shall be applied as follows:

1. First, if on any Interest Payment Date there are not sufficient amounts on deposit in the Senior Lien Interest Subaccount to pay the total amount of interest coming due on any National Insured Bonds which are Senior Lien Bonds entitled to the benefit and security of a Subaccount of the Senior Lien Debt Service Reserve Account on such Interest Payment Date or if on any Principal Payment Date there are not sufficient amounts on deposit in the Senior Lien Principal Subaccount to pay the total amount of principal coming due on any National Insured Bonds which are Senior Lien Bonds entitled to the benefit and security of a Subaccount of the Senior Lien Debt Service Reserve Account on such Principal Payment Date, and after making the earlier required transfers required to be made from other Accounts as provided in the Indenture (and described in “Deficiencies in Interest and Principal Subaccounts — Deficiencies in Senior Lien Interest Subaccount or Senior Lien Principal Subaccount”), including any required draws on Credit Facilities, the Trustee shall transfer sums on deposit in the National Insured Bonds Debt Service Reserve Account or the Debt Service Reserve Account Credit Facility, as provided in the Indenture (and described in “Deficiencies in Interest and Principal Subaccounts — Deficiencies in Senior Lien Interest Subaccount or Senior Lien Principal Subaccount”), to the Senior Lien Interest Subaccount or Senior Lien Principal Subaccount, as the case may be, in an amount sufficient to make up any such deficiency for any National Insured Bonds which are Senior Lien Bonds entitled to the benefit and security of the National Insured Bonds Debt Service Reserve Account.
2. Second, if on any Interest Payment Date there are not sufficient amounts on deposit in the Second Lien Interest Subaccount to pay the total amount of interest coming due on any National Insured Bonds which are Second Lien Bonds entitled to the benefit and security of a Subaccount of the Second Lien Debt Service Reserve Account on such Interest Payment Date or if on any Principal Payment Date there are not sufficient amounts on deposit in the Second Lien Principal Subaccount to pay the total amount of principal coming due on any National Insured Bonds which are Second Lien Bonds entitled to the benefit and security of a Subaccount of the Second Lien Debt Service Reserve Account on such Principal Payment Date, and after making the earlier required transfers required to be made from other Accounts as provided in the Indenture (and described in “Deficiencies in Interest and Principal Subaccounts — Deficiencies in Second Lien Interest Subaccount or Second Lien Principal Subaccount”), including any required draws on Credit Facilities, the Trustee shall transfer sums on deposit in the National Insured Bonds Debt Service Reserve Account, as provided in the Indenture (and described in “Deficiencies in Interest and

Principal Subaccounts — Deficiencies in Second Lien Interest Subaccount or Second Lien Principal Subaccount”), to the Second Lien Interest Subaccount or Second Lien Principal Subaccount, as the case may be, in an amount sufficient to make up any such deficiency for any National Insured Bonds which are Second Lien Bonds entitled to the benefit and security of the National Insured Bonds Debt Service Reserve Account.

3. Third, if on any Interest Payment Date there are not sufficient amounts on deposit in the Junior Lien Interest Subaccount to pay the total amount of interest coming due on any National Insured Bonds which are Junior Lien Bonds entitled to the benefit and security of a Subaccount of the Junior Lien Debt Service Reserve Account on such Interest Payment Date or if on any Principal Payment Date there are not sufficient amounts on deposit in the Junior Lien Principal Subaccount to pay the total amount of principal coming due on any National Insured Bonds which are Junior Lien Bonds entitled to the benefit and security of a Subaccount of the Junior Lien Debt Service Reserve Account on such Principal Payment Date, and after making the earlier required transfers required to be made from other Accounts as provided in the Indenture (and described in “Deficiencies in Interest and Principal Subaccounts — Deficiencies in Junior Lien Interest Subaccount or Junior Lien Principal Subaccount”), including any required draws on Credit Facilities, the Trustee shall transfer sums on deposit in the National Insured Bonds Debt Service Reserve Account, as provided in the Indenture (and described in “Deficiencies in Interest and Principal Subaccounts — Deficiencies in Junior Lien Interest Subaccount or Junior Lien Principal Subaccount”), to the Junior Lien Interest Subaccount or Junior Lien Principal Subaccount, as the case may be, in an amount sufficient to make up any such deficiency for any National Insured Bonds which are Junior Lien Bonds entitled to the benefit and security of the National Insured Bonds Debt Service Reserve Account.
4. Fourth, if on any Interest Payment Date there are not sufficient amounts on deposit in the Third Lien Interest Subaccount to pay the total amount of interest coming due on any National Insured Bonds which are Third Lien Bonds entitled to the benefit and security of a Subaccount of the Third Lien Debt Service Reserve Account on such Interest Payment Date or if on any Principal Payment Date there are not sufficient amounts on deposit in the Third Lien Principal Subaccount to pay the total amount of principal coming due on any National Insured Bonds which are Third Lien Bonds entitled to the benefit and security of a Subaccount of the Third Lien Debt Service Reserve Account on such Principal Payment Date, and after making the earlier required transfers required to be made from other Accounts as provided in the Twentieth Supplemental Indenture, including any required draws on Credit Facilities, the Trustee shall transfer sums on deposit in the National Insured Bonds Debt Service Reserve Account, to the Third Lien Interest Subaccount or Third Lien Principal Subaccount, as the case may be, in an amount sufficient to make up any such deficiency for any National Insured Bonds which are Third Lien Bonds entitled to the benefit and security of the National Insured Bonds Debt Service Reserve Account.

If at any time the balance of the National Insured Bonds Debt Service Reserve Account is greater than \$10,000,000, then the Sports Authority may direct that the amount greater than \$10,000,000 be transferred to the Pledged Revenue Account. Whenever there are no National Insured Bonds or Series 2001A Bonds Outstanding and no Credit Provider Reimbursements with respect thereto remain unpaid, then the Trustee at the written direction of the Sports Authority shall transfer any amount remaining in the National Insured Bonds Debt Service Reserve Account to the Surplus Account. See APPENDIX C for additional provisions regarding the National Insured Bonds Debt Service Reserve Account.

Debt Repayment Account

The Debt Repayment Account is an Account established pursuant to the terms of the Indenture. See “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE” and “APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES.” Such Account will be funded over time from Revenues in accordance with the terms of the Indenture. See “— Flow of Funds for Revenues.”

Prior to June 15, 2024, the Sports Authority may, but is not obligated to, apply amounts in the Debt Repayment Account at its written direction (and election) to either repay, redeem, purchase and retire, economically

debase with the approval of National, or debase the following bonds: Series 2001H Bonds and Series 2004A Bonds. On June 15, 2024 and thereafter, within twelve months after the balance in the Debt Repayment Account reaches \$5,000,000, amounts in the Debt Repayment Account must be applied at the written direction (and election) of the Sports Authority to either repay, redeem, purchase and retire, economically debase with the approval of National, or debase the following bonds (in minimum increments from time to time of \$500,000 and until the Debt Repayment Account balance is reduced to \$2,500,000 or a lower level to be mutually acceptable to the Sports Authority and National, notice of which shall be given to the Trustee): the Series 2001H Bonds, Series 2004A Bonds, or the Series 2001C-2 Note. Payments on the Series 2001C-2 Note may be made as they become due without National approval, but payments can only be made prior to their due date with National approval. No money may be applied from the Debt Repayment Account until it reaches a balance from time to time of \$5,000,000 without the approval of National, except that if less than \$5,000,000 of the obligations that may be repaid from the Debt Repayment Account are outstanding, then the Sports Authority may direct (at its election) that the amount required to repay, redeem, purchase and retire, economically debase with the approval of National, or debase such outstanding obligations will be so applied.

At National's written direction, amounts in the Debt Repayment Account may be allocated to refill the National Insured Bonds Debt Service Reserve Account, if the National Insured Bonds Debt Service Reserve Account balance is less than \$10,000,000. Whenever (a) the Series 2001H Bonds and the Series 2004A Bonds are paid, or, at the election of the Sports Authority, redeemed, purchased and retired, economically debased with the approval of National, or debased, (b) there are no Credit Provider Reimbursements with respect thereto remaining unpaid and (c) the Series 2001C-2 Note is paid or provided for, then the Trustee at the written direction of the Sports Authority shall transfer any amount remaining in the Debt Repayment Account to the County Repayment Account unless the Series C-1 Note is then paid or provided for, in which case to the Surplus Account.

Debt Service Reserve Requirements

Senior Lien Bonds. The Twenty-Eighth Supplemental Indenture establishes a Debt Service Reserve Requirement for the Series 2020A Bonds equal to \$3,779,230.33 and the Twenty-Ninth Supplemental Indenture establishes a Debt Service Reserve Requirement for the Series 2020B Bonds equal to \$2,732,549.13. The Debt Service Reserve Requirements for the Series 2020A Bonds and the Series 2020B Bonds will be satisfied by the purchase of a Debt Service Reserve Account Credit Facility for each series from the 2020 Insurer, which will be deposited to the credit of the applicable Subaccount of Senior Lien Debt Service Reserve Account. See "DEBT SERVICE RESERVE ACCOUNT CREDIT FACILITIES — Senior Lien Debt Service Reserve Account Credit Facilities." Any proceeds received from such Debt Service Reserve Account Credit Facility shall be deposited in the applicable Subaccount of Senior Lien Debt Service Reserve Account and applied as provided in the Indenture to pay only principal of and interest on the Series 2020A Bonds or the Series 2020B Bonds, as applicable, based on the Debt Service Requirements then due with respect to such Bonds.

The Series 2001A Bonds have a Debt Service Reserve Requirement equal to \$19,031,829.55 which is satisfied by Debt Service Reserve Account Credit Facility from AGM. The Series 2001G Bonds have a Debt Service Reserve Fund Requirement of \$2,197,247.47, which was originally funded with a cash deposit.

The available amount of the Debt Service Reserve Account Credit Facilities is the initial face amount of each such Debt Service Reserve Account Credit Facility, less the amount of any previous deposits by AGM with the Trustee which have not been reimbursed by the Sports Authority. Pursuant to the respective Supplemental Indentures, the Sports Authority is required to reimburse AGM, within one year of any deposit, the amount of such deposit made by AGM with the Trustee under any Debt Service Reserve Account Credit Facility. Such reimbursement shall be made from the Trust Estate subject to the priority of payment provisions with respect thereto set forth under the Indenture. The Trustee is required to reimburse AGM, with interest, out of funds available under the Indenture, until the face amount of a Debt Service Reserve Account Credit Facility is reinstated. The Debt Service Reserve Account Credit Facilities are held by the Trustee in the Senior Lien Debt Service Reserve Account and are provided as an alternative to the Sports Authority depositing funds equal to the Reserve Requirement for Senior Lien Bonds.

Second Lien Bonds.

The Thirtieth Supplemental Indenture establishes a Debt Service Reserve Requirement for the Series 2020C Bonds equal to \$2,533,554.35. A portion of the proceeds of the Series 2020C Bonds will be deposited into

the applicable Subaccount of the Second Lien Debt Service Reserve Account to fully fund the Debt Service Reserve Requirement for the Series 2020C Bonds. Moneys on deposit in such Subaccount of the Second Lien Debt Service Reserve Account will be applied as provided in the Indenture to pay only principal of and interest on the Series 2020C Bonds, pro rata based on the Debt Service Requirements then due with respect to such Bonds. With the consent of the 2020 Insurer, all or a portion of money on deposit in such Subaccount of the Second Lien Debt Service Reserve Account may also be applied to the acquisition of a Debt Service Reserve Account Credit Facility in all or a portion of the amount of the Debt Service Reserve Requirement for the Series 2020C Bonds.

The Debt Service Reserve Requirement for the Series 2014C Bonds is equal to \$6,122,250.00 which was funded by a portion of the proceeds of the Series 2014C Bonds and deposited into the Second Lien Debt Service Reserve Account to fully fund the Debt Service Reserve Requirement for the Series 2014C Bonds. Moneys on deposit in the Second Lien Debt Service Reserve Account will be applied as provided in the Indenture to pay only principal of and interest on the Series 2014C Bonds, pro rata based on the Debt Service Requirements then due with respect to such Bonds. With the consent of the AGM, all or a portion of money on deposit in the Second Lien Debt Service Reserve Account may also be applied to the acquisition of a Debt Service Reserve Account Credit Facility in all or a portion of the amount of the Debt Service Reserve Requirement for the Series 2014C Bonds.

Junior Lien Bonds. The Debt Service Reserve Requirement for the Series 2001H Bonds was satisfied by the deposit of cash, in the amount of \$13,000,000, to the respective Junior Lien Debt Service Reserve Subaccount for the Series 2001H Bonds at the time of delivery thereof. Amounts in such Junior Lien Debt Service Reserve Subaccount will be applied to pay only principal of and interest on the Series 2001H Bonds pursuant to the Indenture. With the consent of National, all or a portion of money on deposit in such Junior Lien Debt Service Reserve Subaccount may also be applied to the acquisition of a Debt Service Reserve Account Credit Facility in all or a portion of the amount of the Debt Service Reserve Requirement for the Series 2001H Bonds.

Third Lien Bonds. The Debt Service Reserve Requirement for the Series 2004A-3 Bonds was satisfied by the deposit of cash at the time of delivery thereof into the Series 2004A Debt Service Reserve Subaccount. Amounts in the Series 2004A Debt Service Reserve Subaccount will be applied to pay only principal of and interest on the Series 2004A-3 Bonds pursuant to the Indenture. With the consent of National, all or a portion of money on deposit in the Series 2004A-3 Debt Service Reserve Subaccount may also be applied to the acquisition of a Debt Service Reserve Account Credit Facility in all or a portion of the amount of the Debt Service Reserve Requirement for the Series 2004A Bonds.

Deficiencies in Interest and Principal Subaccounts

Deficiencies in Senior Lien Interest Subaccount or Senior Lien Principal Subaccount. Pursuant to the terms of the Indenture, in the event, on the Business Day prior to a Payment Date, the amount then on deposit in the Senior Lien Interest Subaccount or the Senior Lien Principal Subaccount is not sufficient to pay to the Owners of the Senior Lien Bonds the full amount of interest on and principal of all Outstanding Senior Lien Bonds due on the Payment Date, the Trustee shall promptly notify the Sports Authority of such fact and thereafter, to the extent that the Sports Authority fails to immediately cure such insufficiency, the Trustee shall withdraw from the Accounts and Subaccounts listed below, prior to curing any deficiencies pursuant to the provisions of the Master Indenture described in “Deficiencies in Second Lien Interest Subaccount or Second Lien Principal Subaccount” and “Deficiencies in Junior Lien Interest Subaccount or Junior Lien Principal Subaccount” set forth below, in the following order, and transfer to the Senior Lien Interest Subaccount or Senior Lien Principal Subaccount, as appropriate, an amount equal to the deficiency:

1. The Special Revenue Account (including the Astros Payments Subaccount), but only if the deficiency relates to Taxable Bonds or, if the deficiency relates to Tax-Exempt Bonds, only in an amount not exceeding the Allowed Special Revenue Amount; and provided further that no Special Revenues which are not pledged to pay a Series of Senior Lien Bonds shall be transferred to cure any such insufficiency for that Series of Senior Lien Bonds;
2. the Pledged Revenue Account;
3. the Senior Lien Redemption Subaccount (other than amounts held therein to pay and redeem Bonds for which notice of redemption has theretofore been given, and amounts held therein to defease Outstanding Bonds pursuant to the terms of the Indenture);

4. the Construction Account;
5. the Senior Lien Principal Subaccount (for deficiencies in the Senior Lien Interest Subaccount);
6. to the extent of any amount therein not required for payment of interest on such Interest Payment Date, the Senior Lien Interest Subaccount (for deficiencies in the Senior Lien Principal Subaccount);
7. the applicable Series Subaccount of the Senior Lien Debt Service Reserve Account if the payment is for principal of or interest on the related Series of Senior Lien Bonds;
8. if the deficiency is for National Insured Bonds, then from the National Insured Bonds Debt Service Reserve Account to be applied only to make up any deficiency for National Insured Bonds; and then
9. to the extent authorized in the Supplemental Indenture establishing any additional Account or Subaccount to be held by the Trustee, from such additional Account or Subaccount.

To the extent cured from Revenues generally pledged to all Senior Lien Bonds, or among Series of Senior Lien Bonds to which Special Revenues are pledged, deficiencies in the Senior Lien Interest Subaccount shall be fully cured prior to curing any deficiency in the Senior Lien Principal Subaccount. Notwithstanding anything in the Master Indenture, no Special Revenues, including Astros Payments, shall be withdrawn from any account to cure any deficiency in any Senior Lien Principal Subaccount or Senior Lien Interest Subaccount except to the extent that such Special Revenues are pledged under a Supplemental Indenture to pay the Series of Senior Lien Bonds to which the deficiency relates. To the extent that Special Revenues are available to cure any deficiency with respect to a Series of Senior Lien Bonds, such Special Revenues shall be applied pro rata to cure the deficiency with respect to each Series of Senior Lien Bonds to which such Special Revenues are pledged.

Deficiencies in Second Lien Interest Subaccount or Second Lien Principal Subaccount. Pursuant to the terms of the Indenture, in the event, on the Business Day prior to a Payment Date, the amount then on deposit in the Second Lien Interest Subaccount or the Second Lien Principal Subaccount is not sufficient to pay to the Owners of the Second Lien Bonds the full amount of interest on and principal of all Outstanding Second Lien Bonds due on the Payment Date, the Trustee shall promptly notify the Sports Authority of such fact and thereafter, to the extent that the Sports Authority fails to immediately cure such insufficiency, the Trustee shall withdraw from the Accounts and Subaccounts listed below, prior to curing deficiencies pursuant to the provisions of the Master Indenture described in “Deficiencies in Junior Lien Interest Subaccount or Junior Lien Principal Subaccount” and subsequent to curing deficiencies, if any, pursuant to the provisions of the Master Indenture described in “Deficiencies in Senior Lien Interest Subaccount or Senior Lien Principal Subaccount,” in the following order, and transfer to the Second Lien Interest Subaccount or Second Lien Principal Subaccount, as appropriate, an amount equal to the deficiency:

1. The Special Revenue Account (including the Astros Payments Subaccount), but only if the deficiency relates to Taxable Bonds or, if the deficiency relates to Tax-Exempt Bonds, only in an amount not exceeding the Allowed Special Revenue Amount; and provided further that no Special Revenues which are not pledged to pay a Series of Second Lien Bonds shall be transferred to cure any such insufficiency for that Series of Second Lien Bonds;
2. the Pledged Revenue Account;
3. the Second Lien Redemption Subaccount (other than amounts held therein to pay and redeem Bonds for which notice of redemption has theretofore been given, and amounts held therein to defease Outstanding Bonds pursuant to the terms of the Indenture);
4. the Construction Account;
5. the Second Lien Principal Subaccount (for deficiencies in the Second Lien Interest Subaccount);
6. to the extent of any amount therein not required for payment of interest on such Interest Payment Date, the Second Lien Interest Subaccount (for deficiencies in the Second Lien Principal Subaccount);
7. the applicable Series Subaccount of the Second Lien Debt Service Reserve Account if the payment is for principal of or interest on the related Series of Second Lien Bonds;

8. the Senior Lien Principal Subaccount;
9. the Senior Lien Interest Subaccount;
10. if the deficiency is for National Insured Bonds, then from the National Insured Bonds Debt Service Reserve Account to be applied only to make up any deficiency for National Insured Bonds; and then
11. to the extent authorized in the Supplemental Indenture establishing any additional Account or Subaccount to be held by the Trustee, from such additional Account or Subaccount.

To the extent cured from Revenues generally pledged to all Second Lien Bonds, or among Series of Second Lien Bonds to which Special Revenues are pledged, deficiencies in the Second Lien Interest Subaccount shall be fully cured prior to curing any deficiency in the Second Lien Principal Subaccount. Notwithstanding anything in the Master Indenture, no Special Revenues, including Astros Payments, shall be withdrawn from any account to cure any deficiency in any Second Lien Principal Subaccount or Second Lien Interest Subaccount except to the extent that such Special Revenues are pledged under a Supplemental Indenture to pay the Series of Second Lien Bonds to which the deficiency relates. To the extent that Special Revenues are available to cure any deficiency with respect to a Series of Second Lien Bonds, such Special Revenues shall be applied pro rata to cure the deficiency with respect to each Series of Second Lien Bonds to which such Special Revenues are pledged.

Deficiencies in Junior Lien Interest Subaccount or Junior Lien Principal Subaccount. Pursuant to the terms of the Indenture, in the event, on the Business Day prior to a Payment Date, the amount then on deposit in the Junior Lien Interest Subaccount or the Junior Lien Principal Subaccount is not sufficient to pay to the Owners of the Junior Lien Bonds the full amount of interest on and principal of all Outstanding Junior Lien Bonds due on the Payment Date, the Trustee shall promptly notify the Sports Authority of such fact and thereafter, to the extent that the Sports Authority fails to immediately cure such insufficiency, the Trustee shall withdraw from the Accounts and Subaccounts listed below, subsequent to curing deficiencies, if any, pursuant to the provisions of the Master Indenture described in “Deficiencies in Senior Lien Interest Subaccount or Senior Lien Principal Subaccount” and “Deficiencies in Second Lien Interest Subaccount or Second Lien Principal Subaccount” set forth below, in the following order, and transfer to the Junior Lien Interest Subaccount or Junior Lien Principal Subaccount, as appropriate, an amount equal to the deficiency:

1. the Special Revenue Account (including the Astros Payments Subaccount), but only if the deficiency relates to Taxable Bonds or, if the deficiency relates to Tax-Exempt Bonds, only in an amount not exceeding the Allowed Special Revenue Amount; and provided further that no Special Revenues which are not pledged to pay a Series of Junior Lien Bonds shall be transferred to cure any such insufficiency for that Series of Junior Lien Bonds;
2. the Junior Lien Debt Service Revenue Holding Account;
3. the Pledged Revenue Account;
4. any Junior Lien Redemption Subaccount (other than amounts held therein to pay and redeem Bonds for which notice of redemption has theretofore been given, and amounts held therein to defease Outstanding Bonds pursuant to the terms of the Indenture);
5. the Construction Account;
6. the Junior Lien Principal Subaccount (for deficiencies in the Junior Lien Interest Subaccount);
7. to the extent of any amount therein not required for payment of interest on such Interest Payment Date, the Junior Lien Interest Subaccount (for deficiencies in the Junior Lien Principal Subaccount);
8. The Second Lien Principal Subaccount;
9. The Second Lien Interest Subaccount;
10. The Senior Lien Principal Subaccount;
11. The Senior Lien Interest Subaccount;

12. the applicable Series Subaccount of the Junior Lien Debt Service Reserve Account if the payment is for principal of or interest on the related Series of Junior Lien Bonds;
13. if the deficiency is for National Insured Bonds, then from the National Insured Bonds Debt Service Reserve Account to be applied only to make up any deficiency for National Insured Bonds; and then
14. to the extent authorized in the Supplemental Indenture establishing any additional Account or Subaccount to be held by the Trustee, from such additional Account or Subaccount.

To the extent cured from Revenues generally pledged to all Junior Lien Bonds, or among Series of Bonds to which Special Revenues are pledged, deficiencies in the Junior Lien Interest Subaccount shall be fully cured prior to curing any deficiency in the Junior Lien Principal Subaccount. Notwithstanding anything in the Master Indenture, no Special Revenues, including Astros Payments, shall be withdrawn from any account to cure any deficiency in any Junior Lien Principal Subaccount or Junior Lien Interest Subaccount except to the extent that such Special Revenues are pledged under a Supplemental Indenture to pay the Series of Junior Lien Bonds to which the deficiency relates. To the extent that Special Revenues are available to cure any deficiency with respect to a Series of Junior Lien Bonds, such Special Revenues shall be applied pro rata to cure the deficiency with respect to each Series of Junior Lien Bonds to which such Special Revenues are pledged.

Additional Senior, Second and Junior Lien Bonds

The Sports Authority has reserved the right to issue Additional Senior Lien Bonds, Additional Second Lien Bonds and Additional Junior Lien Bonds, which pursuant to the Indenture are required to mature on November 15, upon satisfaction of certain requirements of the Indenture, including the following:

1. A certificate from the Chair of the Sports Authority that no Event of Default under the Indenture has occurred and shall continue to exist immediately following the date of issuance of the Additional Bonds to be issued.
2. Bond Counsel's opinion to the effect that such Additional Bonds are valid, binding obligations of the Sports Authority and entitled to the benefits of the Indenture and that the requirements for the issuance of such Additional Bonds under the Master Indenture have been satisfied, subject to bankruptcy, insolvency, moratorium, reorganization and other laws affecting creditors' rights generally or matters relating to equitable principles.
3. Consent of each Designated Credit Provider if the Additional Bonds are Variable Rate Bonds or Adjustable Rate Bonds, and, subject to the terms of the Indenture, if the Additional Bonds increase the Adjusted Debt Service Requirements for any Bond Year that certain Bonds are scheduled to be Outstanding, then the consent of each Designated Credit Provider.
4. A certificate of an independent certified public accounting firm to the effect that after giving effect to the issuance of the proposed series of Additional Bonds:
 - (A) For Additional Senior Lien Bonds, (i) Pro Forma Available Revenues (as described below) for each subsequent Bond Year shall equal or exceed 120% of the Adjusted Debt Service Requirement for each such Bond Year for all Senior Lien Bonds and Second Lien Bonds that will be outstanding after the issuance of such Additional Senior Lien Bonds, and (ii) the Pro Forma Additional Bonds Revenues (as described below) for each subsequent Bond Year shall equal or exceed 135% of the Adjusted Debt Service Requirement for each such Bond Year for all Senior Lien Bonds that will be outstanding after the issuance of such Additional Senior Lien Bonds.
 - (B) For Additional Second Lien Bonds, (i) Pro Forma Available Revenues (as described below) for each subsequent Bond Year shall equal or exceed 120% of the Adjusted Debt Service Requirement for each such Bond Year for all Senior Lien Bonds and Second Lien Bonds that will be outstanding after the issuance of such Additional Second Lien Bonds, and (ii) the Pro Forma Additional Bonds Revenues (as described below) for each subsequent Bond Year shall equal or exceed 115% of the Adjusted Debt Service Requirement for each such Bond

Year for all Senior Lien Bonds and Second Lien Bonds that will be outstanding after the issuance of such Additional Second Lien Bonds.

- (C) For Additional Junior Lien Bonds, Pro Forma Available Revenues (as described below) for each subsequent Bond Year shall equal or exceed 115% of the Adjusted Debt Service Requirement for each such Bond Year for all Senior Lien Bonds, Second Lien Bonds and Junior Lien Bonds that will be outstanding after the issuance of such Additional Junior Lien Bonds.

For purposes of subparagraphs (A), (B) and (C) above and paragraph 5 below, the term “Pro Forma Available Revenues” shall mean the sum of (i) the receipts from the Hotel Occupancy Tax and Vehicle Rental Tax (“Increasing Revenues”) for twelve consecutive out of the most recent fifteen months prior to the sale of the Additional Bonds, which Increasing Revenues shall be increased on a pro forma basis in each subsequent Bond Year by 1% per annum for purposes of issuing Additional Senior Lien Bonds and Additional Second Lien Bonds and 3% per annum for purposes of issuing Additional Junior Lien Bonds plus (ii) the receipts from the Astros Payments (see “DESCRIPTION OF PLEDGED REVENUES — Astros Payments”) for twelve consecutive out of the most recent fifteen months prior to the sale of the Additional Bonds, without any increase for subsequent Bond Years, plus (iii) receipts from additional amounts, if any, pledged to the Trust Estate (which additional amounts are approved in writing by the Designated Credit Providers for inclusion as Available Revenues) for twelve consecutive out of the most recent fifteen months prior to the sale of the Additional Bonds, without any increase for subsequent Bond Years. For purposes of subparagraphs (A) and (B) above, the term “Pro Forma Additional Bonds Revenues” shall mean the “Additional Bonds Revenues” (as defined in the Indenture) for twelve consecutive calendar months out of the most recent 15 months prior to the sale of the Additional Bonds, without any increase for subsequent Bond Years. The term “Additional Bonds Revenues” is defined in the Indenture as meaning (i) all receipts by the Trustee from the Hotel Occupancy Tax and Vehicle Rental Tax, and (ii) other amounts, funds, accounts, revenues, receivables, or other security irrevocably pledged or assigned as part of the Trust Estate for a Series of Bonds pursuant to a Supplemental Indenture; provided, however, such other items listed in clause (ii) shall constitute Additional Bonds Revenues only if consented to by each Designated Credit Provider.

5. Additional Junior Lien Bonds may be issued for completion purposes with the approval of each Designated Credit Provider then providing a Credit Facility for Junior Lien Bonds or Third Lien Bonds if, in lieu of requirements in paragraph 4 above, there is delivered (i) a certificate of the architect or engineer for an Approved Venue Project stating that the amounts in the Construction Account are insufficient for completion of the Approved Venue Project and stating the amount necessary for such completion, (ii) a certificate of the financial advisor of the Sports Authority stating that the proposed Additional Junior Lien Bonds are in the amount necessary to fund the Construction Account in the amount certified by the architect or engineer for the completion of the Approved Venue Project, and (iii) a certificate of an independent certified public accounting firm stating that the Pro Forma Available Revenues for each subsequent Bond Year shall equal or exceed 105% of the Adjusted Debt Service Requirement for each such Bond Year for all Senior Lien Bonds, Second Lien Bonds and Junior Lien Bonds that will be outstanding after the issuance of such Additional Junior Lien Bonds; provided, that Special Revenues which are not pledged to the payment of a particular series of Junior Lien Bonds shall not be included in measuring whether Pro Forma Available Revenues equal or exceed 105% of the Adjusted Debt Service Requirement for that series of Junior Lien Bonds.
6. Additional Bonds may be issued to refund Senior Lien Bonds, Second Lien Bonds or Junior Lien Bonds without meeting the foregoing coverage tests in paragraph 4 above provided that (i) the Adjusted Debt Service Requirements for each Bond Year that the Additional Bonds will be outstanding does not exceed that of the refunded bonds, as verified by a certificate of an Independent Accountant, (ii) Junior Lien Bonds are not refunded with Senior Lien Bonds or Second Lien Bonds, and (iii) Second Lien Bonds are not refunded with Senior Lien Bonds.
7. The conversion of Senior Lien Bonds, Second Lien Bonds or Junior Lien Bonds which are Variable Rate Bonds or Adjustable Rate Bonds to Fixed Interest Rate Bonds shall not be treated as

the issuance of Additional Senior Lien Bonds, Additional Second Lien Bonds or Additional Junior Lien Bonds subject to the respective requirements set forth above unless the interest rate to be borne by such Senior Lien Bonds, Second Lien Bonds or Junior Lien Bonds from and after the date of conversion will exceed the Certified Rate taken into account for purposes of computing Adjusted Debt Service Requirements in connection with the issuance of the Variable Rate Bonds or Adjustable Rate Bonds to be converted.

8. Additional Bonds may be issued if and to the extent necessary to refund maturing Bonds in case moneys in the applicable Debt Service Account are or will be insufficient to pay the same at maturity, which refunding Additional Bonds may be on a parity with the Bonds with respect to which such insufficiency exists, provided that, with respect to maturing Bonds for which National or the AGM is a Credit Provider, no such Additional Bonds may be issued without the consent of the applicable Designated Credit Provider.

Additional Third Lien Bonds

In the Indenture, the Sports Authority has reserved the right to issue Additional Third Lien Bonds subject to the following conditions:

1. With the consent of National (while any National Insured Bonds that are Junior Lien Bonds or Third Lien Bonds are Outstanding), and thereafter with the consent of AGM, the Sports Authority may issue, and pay principal, interest and other amounts due with respect to Third Lien Bonds payable in whole or in part out of Revenues, any Special Revenues pledged to the payment of Third Lien Bonds, and other amounts which constitute the Trust Estate under the Indenture only as provided in the Indenture.

2. Third Lien Bonds may have such terms and be of such priorities as the Sports Authority establishes, except that Third Lien Bonds may be payable from and secured by a lien, claim and charge which is junior and subordinate to the lien, claim and charge on the Revenues, any Special Revenues pledged to the Third Lien Bonds, and the remainder of the Trust Estate securing any Outstanding Senior Lien Bonds, Outstanding Second Lien Bonds or Outstanding Junior Lien Bonds (i) shall not be subject to acceleration of maturity except pursuant to a mandatory sinking fund and (ii) shall not contain provisions which permit the declaration of an Event of Default under the Indenture upon any failure to pay principal of or interest on Third Lien Bonds as and when due, except in each case as payable solely from amounts pledged to such Third Lien Bonds or which are not pledged to payment of the Senior Lien Bonds, Second Lien Bonds or Junior Lien Bonds as part of the Trust Estate.

3. No Revenues, Special Revenues, or the remainder of the Trust Estate shall be used to pay any Third Lien Bonds except as such amounts are deposited to a Third Lien Bonds Account. Any instrument authorizing any Series of Third Lien Bonds shall provide that no Revenues shall be transferred or otherwise remitted from the Revenue Account to a Third Lien Bonds Account for the payment of any amount of principal, interest or other amounts thereon if, as of the date such transfer or remittance is to be made, there are insufficient Revenues or Special Revenues to make the deposits required by the Indenture as of such date.

Default Provisions and Remedies

Events of Default. Each of the following events constitutes an “Event of Default” under the Indenture (whatever the reason for such an Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

- (a) if default shall be made in the due and punctual payment of any interest on any Outstanding Bond secured by the Indenture; or
- (b) if default shall be made in the due and punctual payment of the principal of or any redemption premium on any Outstanding Bond secured by the Indenture, whether at the stated maturity thereof or at the date fixed for redemption thereof; or
- (c) if default shall be made in the due and punctual payment of any other moneys required to be paid to the Trustee or a Credit Provider under the provisions of the Master Indenture or any Supplemental Indenture, Credit Agreement or Related Document, and such default shall have continued for a period of 30 days after written

notice thereof, specifying such default, shall have been given by the Trustee to the Sports Authority, by the Credit Provider to the Sports Authority and the Trustee in the case of a default with respect to a Credit Agreement or a Related Document, or to the Sports Authority and the Trustee by the Owners of not less than a majority in aggregate principal amount of the then Outstanding Bonds; or

(d) if default shall be made in the performance or observance of any other of the covenants, agreements or conditions on the part of the Sports Authority contained in the Master Indenture, any Supplemental Indenture, the Bonds, Credit Agreement or Related Document, and such default shall have continued for a period of 30 days after written notice thereof given in the manner provided in clause (a) above, provided, however, that if the default stated in such notice cannot be corrected within such 30 day period, but can be corrected with due diligence, it shall not constitute an Event of Default if corrective action is instituted by the Sports Authority within such 30 day period and diligently pursued until such default or breach is corrected.

Notwithstanding the foregoing, any default under clause (a) or (b) above that is in respect of Bonds other than Senior Lien Bonds will not constitute an Event of Default with respect to the Senior Lien Bonds. In addition, any default under clause (c) or (d) above that does not relate to Senior Lien Bonds, or to any Credit Agreement or Related Documents entered into with respect to Senior Lien Bonds, will not constitute an Event of Default with respect to the Senior Lien Bonds. In addition, notwithstanding the foregoing, any default under clause (a) or (b) above that is in respect of Bonds other than Senior Lien Bonds or Second Lien Bonds will not constitute an Event of Default with respect to the Second Lien Bonds. In addition, any default under clause (c) or (d) above that does not relate to Senior Lien Bonds or Second Lien Bonds, or to any Credit Agreement or Related Document entered into with respect to Senior Lien Bonds or Second Lien Bonds, or to any Credit Agreement or Related Document entered into with respect to Second Lien Bonds, will not constitute an Event of Default with respect to the Second Lien Bonds.

Remedies. Upon the occurrence of an Event of Default, the Trustee may by mandamus or other suit, action, or proceeding proceed to pursue any available remedy at law or in equity to enforce all rights of the Bondowners and covenants of the Sports Authority, including without limitation the right to the payment of the principal or premium. If any, and interest on the then Outstanding Bonds out of any Available Revenues or any remainder of the Trust Estate. If an Event of Default has occurred and is continuing, and if requested to so by the Owners of a majority in aggregate principal amount of the Bonds Outstanding with respect to which an Event of Default has occurred and is continuing, and without limiting the foregoing, the Trustee shall, subject to the provisions of the Indenture described in “Direction of Proceedings by Bondowners” below, proceed to protect and enforce its rights and the rights of Bondowners under the Indenture by such mandamus, suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or agreement contained in the Indenture or in aid of execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, as the Trustee (being advised by said Independent Counsel selected by the Trustee) shall deem most expedient in the interests of the Bondowners; provided, however, that the Trustee shall have the right to decline to comply with any request of Bondowners under the provisions of the Indenture described in “Direction of Proceedings by Bondowners” below if the Bondowners shall not have offered indemnification acceptable to the Trustee pursuant to the terms of the Indenture or otherwise or if the Trustee shall be advised by Independent Counsel that the action so requested may not lawfully be taken or if the Trustee in good faith shall determine that such action would be unjustly prejudicial to the Bondowners not parties to such request and provided, further, that notwithstanding any other provision of the Indenture and under no circumstances (including in an Event of Default, upon an act of bankruptcy, upon a determination of insolvency, in connection with a receivership proceeding or otherwise) shall the Trustee, any Bondowner or any other person (i) have the right or power to accelerate the maturity of any Bonds or (ii) take any action or direct the Trustee to take any action contrary to the provisions of the Indenture described in paragraph (d) under “Credit Providers’ Right to Direct Remedies.”

No remedy by the terms of the Indenture conferred upon or reserved to the Trustee (or to the Bondowners) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy (i) given to the Trustee or to the Owners under the Indenture or (ii) now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of 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.

No waiver of any Event of Default under the Indenture, whether by the Trustee or by one or more Owners, shall extend to or shall affect any subsequent Event of Default or impair any rights or remedies consequent thereon.

All rights of action under the Indenture or under any of the Outstanding Bonds, enforceable by the Trustee, may be enforced by it without the possession of any of the Outstanding Bonds, or the production thereof, in the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the Owners of such Outstanding Bonds, subject to the provisions of the Indenture.

Direction of Proceedings By Bondowners. The Owners of a majority in aggregate principal amount of the then Outstanding Bonds with respect to which an Event of Default has occurred and is continuing shall have the right, at any time after providing indemnification pursuant to the terms of the Indenture if requested by the Trustee, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture and the Related Documents or for the appointment of a receiver or any other proceedings under the Indenture; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture.

Credit Providers' Right to Direct Remedies. (a) With respect to Bonds insured by National and AGM (see "PURPOSE AND PLAN OF FINANCE — Bond Insurance and Debt Service Reserve Account Credit Facilities"), each respective Supplemental Indenture provides that, subject to the conditions described therein and in the Master Indenture, any or all actions, consents, waivers or rights pertaining to defaults and remedies and the duties and obligations of the Trustee that may be exercised by the Owner of any such bond shall be exercised by National or AGM, as applicable, as though National or the AGM, as applicable, were such Owner, provided that National or AGM, as applicable, is not in default on its payment obligations under any Credit Facility, except as National or the, as applicable, is otherwise subrogated to the rights of one or more Owners of Bonds as a result of prior payments under a Credit Facility.

In furtherance thereof and as a term of the Indenture and each Bond, the Trustee and each Bondholder appoint National and AGM, as applicable, as their agent and attorney-in-fact and agree that National or AGM, as applicable, may at any time during the continuation of any proceeding by or against the Sports Authority under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each Bondholder delegate and assign to National or AGM, as applicable, to the fullest extent permitted by law, the rights of the Trustee and each Bondholder in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding.

In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under a Supplemental Indenture or the Indenture would adversely affect the security for the Bonds or the rights of the Bondholders, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Credit Facility relating to such Bonds.

(b) Pursuant to the terms of the Master Indenture, provided that if AGM is not otherwise in default on its payment obligations under any Credit Facility, AGM, after providing indemnification pursuant to the terms of the Indenture if requested by the Trustee, by an instrument or instruments in writing executed and delivered to the Trustee, may direct, and the Trustee shall not seek to enforce without such direction, any or all remedies which may be exercised by the Trustee under the Indenture with respect to any Bonds for which AGM has provided the Credit Facility, and any directions which may be given by the Bondowners of such Bonds under Article Ten of the Master Indenture may be exercised by AGM as though AGM were the Owner.

(c) Pursuant to the terms of the Master Indenture, provided that if National is not otherwise in default on its payment obligations under any Credit Facility, National, after providing indemnification pursuant to the terms of the Indenture if requested by the Trustee, by an instrument or instruments in writing executed and delivered to the Trustee, may direct, and the Trustee shall not seek to enforce without such direction, any or all remedies which may

be exercised by the Trustee hereunder with respect to any Bonds for which National has provided the Credit Facility, and any directions which may be given by the Bondowners of such Bonds under this Article may be exercised by National as though National were the Owner.

(d) Notwithstanding the foregoing provisions of the Master Indenture described in paragraphs (a), (b) and (c) above and in “Directions of Proceedings by Bondowners”, if an Event of Default occurs and is continuing with respect to both Senior Lien Bonds or Second Lien Bonds, on the one hand, and Junior Lien Bonds or Third Lien Bonds, on the other hand, then, except for an action in order to prevent funds in the Trust Estate from being distributed to the Sports Authority, the Owners of Junior Lien Bonds or Third Lien Bonds, as applicable, will refrain from directing the Trustee in the exercise of remedies, and the Trustee will refrain from exercising remedies directed by such Owners, unless (1) within 45 days of receipt of notice of such Event of Default, the Owners of Senior Lien Bonds or Second Lien Bonds have not directed the Trustee to exercise remedies with respect to such Event of Default; or (2) the remedies so directed by such Owners within such 45 days did not include an action in mandamus to cause the Sports Authority to impose, collect, or transfer Revenues to provide for payment of the applicable Junior Lien Bonds or the Third Lien Bonds, in which case the applicable Owners of such Junior Lien Bonds or Third Lien Bonds may direct the Trustee to commence such an action; provided, that (A) notwithstanding the foregoing or any other provision of the Master Indenture or under any Supplemental Indenture, no Owner is entitled to seek or direct the Trustee to seek, nor may the Trustee seek or be required to seek, any remedy authorized under the Master Indenture which may prevent, hinder, or delay the funding of any First and Second Lien Accounts or the use of the funds in any First and Second Lien Accounts for the purposes intended under the Indenture, except as expressly provided in the following sentence, and (B) to the extent the Trustee is receiving conflicting instructions from the Owners of Junior Lien Bonds or Third Lien Bonds, on the one hand, and the Owners of the Senior Lien Bonds or Second Lien Bonds, on the other hand, with respect to any of the First and Second Lien Accounts, then the instructions of the Owners of the Senior Lien Bonds or Second Lien Bonds shall control.

The rights, remedies and obligations of the Bondholders under the provisions of the Master Indenture described in this paragraph (d) shall apply to the applicable Credit Providers of such Bondholders, and shall be subject to the rights of Credit Providers to direct remedies under the Master Indenture or any Supplemental Indenture. Without limitation to the foregoing, any direction with respect to remedies given by the Credit Provider of Junior Lien Bonds or Third Lien Bonds, acting as though it were the Owner of such Bonds as contemplated by the provisions of the Master Indenture described in paragraph (a) above, shall comply in all respects with the provisions of the Master Indenture described in this paragraph (d).

Nothing in the provisions of the Master Indenture described in this “Credit Providers’ Right to Direct Remedies” subheading shall prevent any Credit Provider of any Junior Lien Bonds or Third Lien Bonds from seeking an accounting or challenging the accounting of the funding of, or use of funds in, the First and Second Lien Accounts through an arbitration proceeding as provided in the Master Indenture or prevent such Credit Provider or the Trustee from complying with any findings, award or order of the arbitrator; provided that during the pendency of such proceeding each Credit Provider and the Trustee shall remain subject to clause (A) of the proviso in the first paragraph of this paragraph (d).

(e) None of the provisions of the Master Indenture described in this “Credit Providers’ Right to Direct Remedies” subheading precludes any Bondowner from enforcing, or impairs the right of any Bondowner to enforce, the payment by the Trustee of principal of, and interest and premium, if any, on any Bond of such Bondowner at or after its date of maturity, if and to the extent that such payment is required to be made to such Bondowner by the Trustee from available funds in accordance with the terms of the Master Indenture.

Waiver of Stay or Extension Laws. Upon the occurrence of an Event of Default, to the extent that such rights may then lawfully be waived, neither the Sports Authority nor anyone claiming through it or under it shall or will set up, claim, or seek to take advantage of any appraisalment, valuation, stay, extension or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement of the Indenture, but the Sports Authority, for itself and all who may claim through or under it, in the Indenture waives to the extent that it lawfully may do so the benefit of all such laws and all right of appraisalment and redemption to which it may be entitled under the laws of the State of Texas.

Priority of Payment and Application of Moneys. All Senior Lien Bonds issued under and secured by the Indenture shall be equally and ratably secured by and payable from the Senior Lien Debt Service Account without priority of one Senior Lien Bond over any other, except as otherwise expressly provided (i) in the Master Indenture

with respect to Senior Lien Bonds of a specific Series (or specific Senior Lien Bonds within a Series) secured by a Credit Facility or (ii) in a Supplemental Indenture or (iii) with respect to moneys or assets whether or not held in the Senior Lien Debt Service Account pledged to secure one or more Series of Senior Lien Bonds (or specific Senior Lien Bonds within a Series) and not other Bonds. All Second Lien Bonds issued under and secured by the Indenture shall be equally and ratably secured by and payable from the Second Lien Debt Service Account without priority of one Second Lien Bond over any other, except as otherwise expressly provided (i) in the Master Indenture with respect to Second Lien Bonds of a specific Series (or specific Second Lien Bonds within a Series) secured by a Credit Facility or (ii) in a Supplemental Indenture or (iii) with respect to moneys or assets whether or not held in the Second Lien Debt Service Account pledged to secure one or more Series of Second Lien Bonds (or specific Second Lien Bonds within a Series) and not other Bonds. All Junior Lien Bonds issued under and secured by the Indenture shall be equally and ratably secured by and payable from the Junior Lien Debt Service Account without priority of one Junior Lien Bond over any other, except as otherwise expressly provided (i) in the Master Indenture with respect to Junior Lien Bonds of a specific Series (or specific Junior Lien Bonds within a Series) secured by a Credit Facility or (ii) in a Supplemental Indenture or (iii) with respect to moneys or assets whether or not held in the Junior Lien Debt Service Account pledged to secure one or more Series of Junior Lien Bonds (or specific Junior Lien Bonds within a Series) and not other Bonds. Upon the occurrence of an Event of Default, all moneys collected pursuant to action taken pursuant to the Trustees' or Bondowners' remedies hereunder, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of all fees (including default administration fees), expenses (including but not limited to, counsel's fees), liabilities and advances incurred or made by the Trustee, Paying Agent, Registrar, and other fiduciary capacities in which the Trustee may serve under the Indenture and after any other prior application of such moneys has been made as is required by law shall be deposited in such Accounts or Subaccounts as required by Article Five of the Master Indenture, and shall be applied in the manner provided by Article Five of the Master Indenture.

Remedies Vested in Trustee. All rights of action (including the right to file proof of claims in any insolvency proceeding) under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Owners of the Bonds, and any recovery or judgment shall be for the equal benefit of the Owners of the Outstanding Bonds to the extent and in the manner provided in the Indenture. The Sports Authority and the Trustee have agreed under the Indenture, without in any way limiting the effect and scope thereof, that the pledge and assignment under the Indenture to the Trustee of all rights included with the Trust Estate shall constitute an agency appointment coupled with an interest on the part of the Trustee which, for all purposes of the Indenture, shall be irrevocable and shall survive and continue in full force and effect notwithstanding the bankruptcy or insolvency of the Sports Authority or its default under the Indenture or on the Bonds.

Rights and Remedies of Owners. No Owner of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the Master Indenture, a Supplemental Indenture, a Credit Facility, Credit Agreement or any Related Documents or for the execution of any trust of the Indenture or any remedy under the Indenture or thereunder or for the appointment of a receiver, unless: (i) a default thereunder shall have become an Event of Default and the Owners of a majority in aggregate principal amount of the Bonds then Outstanding with respect to which an Event of Default has occurred and is continuing shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers granted under the Indenture or to institute such action, suit or proceeding in its own name; (ii) such Owners shall have offered to indemnify the Trustee as provided in the Indenture; and (iii) the Trustee shall thereafter fail or refuse to exercise within a reasonable period of time the remedies granted under the Indenture, or to institute such action, suit or proceeding in its own name. Such notification, request and offer of indemnity are declared in every such case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of the Indenture, and to any action or cause of action for the enforcement of the Master Indenture, a Supplemental Indenture, a Credit Facility, Credit Agreement or a Related Document, or for the appointment of a receiver or for any other remedy under the Indenture; it being understood and intended that no one or more Owners of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of the Indenture, by its, his, her or their action or to enforce any right thereunder except in the manner provided in the Indenture, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Indenture, and for the equal benefit of the Owners of all Bonds then Outstanding; provided, however, that nothing in the Indenture shall be construed to preclude any Bondowner from enforcing, or impair the right of any Bondowner to enforce, the payment by the Trustee of principal of, and interest and premium, if any, on any Bond of such Bondowner at or after its date of

maturity, if and to the extent that such payment is required to be made to such Bondowner by the Trustee from available funds in accordance with the terms of the Indenture.

Termination of Proceedings. In case the Trustee shall have proceeded to enforce any right under the Master Indenture, a Supplemental Indenture, any Credit Facility, Credit Agreement or Related Document by the appointment of a receiver, by entry and possession or otherwise shall have been determined adversely to the Trustee, then and in every case the Sports Authority and the Trustee shall be restored to their former positions and rights under the Indenture with respect to the property conveyed under the Indenture, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Waiver of an Event of Default. The Trustee may in its discretion waive any Event of Default under the Indenture and its consequences and shall do so upon written request of the Owners of (i) a majority in aggregate principal amount of all the Bonds then Outstanding with respect to which default in the payment of principal, premium, and interest, or any of them, exists, or (ii) a majority in aggregate principal amount of all the Bonds then Outstanding with respect to which an Event of Default has occurred and is continuing in the case of any other Event or Default; provided, however, that there shall not be waived (i) any Event of Default in the payment of the principal of or premium on any Outstanding Bonds on the redemption date or at the date of maturity specified therein or (ii) any Event of Default in the payment when due of the interest on any such Bonds, unless prior to such waiver all arrearages of payments of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds with respect to which such Event of Default shall have occurred, and all arrearages of payments of principal and premium, if any, with interest (to the extent permitted by law) at the rate borne by the Bonds with respect to which such Event of Default shall have occurred, and all arrearages of payments of principal and premium, if any, with interest (to the extent permitted by law) at the rate borne by the Bonds with respect to which such Event of Default shall have occurred, and all expenses of the Trustee, Bond Registrar, Paying Agents and other fiduciary capacities of the Trustee in connection with such Event of Default, shall have been paid or provided for. No such waiver or rescission shall extend to any subsequent or other Events of Default, or impair any rights consequent thereon.

Trustee as Agent of Sports Authority. Anything in the Indenture to the contrary notwithstanding, no default as described in paragraph (c) or (d) of “Events of Default” above shall constitute an Event of Default until actual notice of such default by registered or certified mail shall be given by the Trustee to the Sports Authority, and the Sports Authority shall have had the time permitted as prescribed in such paragraph after receipt of such notice to correct said default or cause said default to be corrected and the Sports Authority shall not have corrected said default or caused said default to be corrected within said time; provided, however, if said default occurs under paragraph (d) of “Events of Default” above, it shall not constitute an Event of Default if corrective action is instituted by the Sports Authority within said time and diligently pursued until the default is corrected.

With regard to any alleged default concerning which notice is given to the Sports Authority under the provisions of the Indenture as described in this “Trustee as Agent of Sports Authority” caption, the Sports Authority names and appoints the Trustee as its attorney-in-fact and agent with full authority to perform any covenant or obligation of the Sports Authority alleged in said notice to constitute a default, in the name and stead of the Sports Authority with full power to do any and all things and acts to the same extent that the Sports Authority could do and perform any such things and acts and with power of substitution; provided that the Trustee shall give the Sports Authority notice of its intention so to perform on behalf of the Sports Authority, and provided further that the Sports Authority may at any time, by a writing addressed to the Trustee, cancel, withdraw, limit or modify the appointment made under the Indenture.

Arbitration. The Master Indenture contains certain dispute resolution procedures that must be utilized, but only while National is a Designated Credit Provider, to resolve disputes that may arise under the Master Indenture involving whether the Trustee is in compliance with the Master Indenture or fulfilling its duties thereunder. Such procedures may be initiated by the Sports Authority, the Trustee or any Credit Provider (each, a “Relevant Party”) except that a Credit Provider that is in default of its payment obligations under its Credit Facility shall not have the right to initiate such procedures although to protect its interests it may participate in any such procedures initiated by another Relevant Party. Upon commencement of any arbitration proceeding under such provisions of the Master Indenture, the Sports Authority shall deliver notice thereof to Bondowners through the Electronic Municipal Market Access website of the Municipal Securities Rulemaking Board.

Waiver of Sovereign Immunity. Pursuant to Texas Government Code Section 1371.059, in the Master Indenture the Sports Authority waives the defense of sovereign immunity from suit or liability for the purpose of

adjudicating a claim to enforce the Master Indenture, the Bonds, or any Credit Agreement entered pursuant to the Master Indenture or for damages for breach of the Master Indenture, the Bonds, or any such Credit Agreement.

See “INVESTMENT CONSIDERATIONS — Limitation and Enforceability of Remedies; Bankruptcy.” See also, “APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE” and “APPENDIX D — EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES.”

INVESTMENT CONSIDERATIONS

General

In considering the matters set forth in this Official Statement, prospective investors should carefully review all investment considerations and bondholders’ risks set forth throughout this Official Statement and should specifically consider certain risks associated with the Series 2020 Bonds. There follows a summary of some, but not necessarily all, of the investment considerations attendant to an investment in the Series 2020 Bonds. The order in which investment considerations are presented in this caption is not intended to reflect either the likelihood that a particular event will occur or the relative significance of such an event. Moreover, there may well be other considerations and risks associated with an investment in the Series 2020 Bonds in addition to those set forth in this Official Statement. In order to allow potential investors to identify investment considerations and make an informed investment decision, potential investors should be thoroughly familiar with the entire Official Statement and the Schedules and Appendices hereto and should have accessed whatever additional financial and other information any such investor may deem necessary to make its decision to invest in the Series 2020 Bonds.

Forward-Looking Statements

This Official Statement, including the Schedules and Appendices hereto and the documents incorporated herein by reference, contain “forward-looking statements,” which generally can be identified with words or phrases such as “anticipates,” “believes,” “could,” “estimates,” “expects,” “foresees,” “may,” “plan,” “predict,” “should,” “will” or other words or phrases of similar import. All statements included in this Official Statement, including the Schedules and Appendices hereto, that any person expects or anticipates will, should or may occur in the future are forward-looking statements. These statements are based on assumptions and analysis made by the Sports Authority, in light of its experience and perception of historical trends, current conditions and expected future developments as well as other factors it believes are appropriate in the circumstances. However, whether actual results and developments will conform with expectations and predictions is subject to a number of risks and uncertainties, including, without limitation, the information discussed under this “INVESTMENT CONSIDERATIONS” caption of this Official Statement as well as additional factors beyond the Sports Authority’s control. The risk factors and assumptions described under such caption and elsewhere in this Official Statement could cause actual results to differ materially from those expressed in any forward-looking statement. All of the forward-looking statements made in this Official Statement and any Schedules and Appendices hereto are qualified by these cautionary statements. There can be no assurance that the actual results or developments anticipated will be realized or, even if substantially realized, that they will have the expected consequences to or effects on the Revenues, Astros Payments or the Sports Authority’s operations. All subsequent forward-looking statements attributable to the Sports Authority or persons acting on its behalf are expressly qualified in their entirety by the factors and assumptions described above and in any documents containing those forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the Sports Authority on the date hereof, and the Sports Authority does not assume any obligation to update any such forward-looking statements.

The forward-looking statements herein are necessarily based on various assumptions and estimates that are inherently subject to numerous risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

Sufficiency of Revenues and Astros Payments

Sufficiency of Revenues. The Pandemic has negatively affected travel globally and has had a negative impact on hotel occupancy levels and demand for rental cars in the Houston market resulting in a decline in Hotel Occupancy Tax and Vehicle Rental Tax revenues. The Sports Authority is unable to predict when revenues will return to pre-Pandemic levels. Other factors that negatively affect travel include adverse changes in the levels of corporate travel and tourism, energy costs, governmental rules and policies, potential environmental and other liabilities and interest rate levels. Corporate travel and tourism are highly dependent upon gasoline and other fuel prices, airline fares, and the national economy. See – “INFECTIOUS DISEASE OUTBREAK - COVID-19,” “PURPOSE AND PLAN OF FINANCE – Background, Tender and Purpose – *Background*,” and “DESCRIPTION OF PLEDGED REVENUES - Schedule 2 — Historical Revenues” and “DESCRIPTION OF PLEDGED REVENUES — Current Status of Astros Payments.”

Receipts of the Hotel Occupancy Tax largely depend on the occupancy and average daily rates (“ADRs”) at hotels located in the City and County. The Houston market has an aggregate hotel occupancy tax rate of 17%, which is the highest in the nation. The high tax rate is offset in part by Houston’s relatively low ADR and by the fact that corporate travelers that make up one of the largest demand segments in the Houston market tend to select hotels based on proximity to the place in which they are to do business, rather than on tax levels. Key factors that may adversely affect the amount of receipts of the Hotel Occupancy Tax generated from the rental of hotel rooms include: market support; general levels of convention business; levels of tourism; seasonality; and competition from other markets.

Sufficiency of Astros Payments. Astros Payments will be applied prior to the application of Revenues in accordance with the terms of the Indenture. As described above in “SECURITY FOR THE SERIES 2020 BONDS — Astros Payments,” the Astros Payments are only pledged to the Trust Estate through Fiscal Year 2029 in the maximum amount of \$4,600,000 per year. See “DESCRIPTION OF PLEDGED REVENUES — Agreements Relating to Minute Maid Park.” Additionally, pursuant to the terms of the Indenture, the pledge of the Astros Payments (including the application thereof) with respect to Tax-Exempt Bonds is limited to the Allowed Special Revenue Amount. Accordingly, Astros Payments may be applied to the payment of debt service on the Series 2020A Bonds and any other series of Outstanding Bonds and Additional Bonds (to which Astros Payments are pledged) constituting Tax-Exempt Bonds, only to the extent of the Allowed Special Revenue Amount from time to time applicable to such Bonds, which may substantially limit the Astros Payments available for such purpose. Astros Payments may be applied without limitation to the payment of debt service on the Series 2020B Bonds, Series 2020C Bonds and any Additional Bonds (to which Astros Payments are pledged) constituting Taxable Bonds. See “SECURITY FOR THE SERIES 2020 BONDS — Flow of Funds for Astros Payments.” In certain circumstances, the Ballpark Lease and the Ballpark License Agreement may be terminated, and the Astros’ obligation to pay the Astros Payments to the Sports Authority may be reduced in the event and to the extent the Sports Authority imposes certain future taxes related to Minute Maid Park. To date, the Sports Authority has not imposed any such taxes. In addition, the Ballpark Lease and the Ballpark License Agreement (which obligate the Astros to pay the Astros Payments to the Sports Authority) each have a term that is scheduled to expire in March 2050, with the Astros having the option to extend each such term for up to two consecutive periods of five years each. There can be no assurance that either the Ballpark Lease or the Ballpark License Agreement will be extended beyond its current term or that either of the agreements will not be terminated early. See “DESCRIPTION OF PLEDGED REVENUES — Agreements Relating to Minute Maid Park.” Any failure of the Sports Authority to receive the Astros Payments could negatively affect the security for the Series 2020 Bonds as shortfall in the Astros Payments would have to be made up from Revenues. As described in “DESCRIPTION OF PLEDGED REVENUES — Astros Payments,” the total amount of Astros Payments payable by the Astros to the Sports Authority each year from Base Rent and Royalty Payments currently is \$5,600,000, provided however, that only \$4,600,000 per year is pledged to the Trust Estate and such pledge only goes through Fiscal Year 2029. The Astros have requested Rent and Royalty Credit for certain cancelled Astros games. See “DESCRIPTION OF PLEDGED REVENUES — Current Status of Astros Payments” and “— Ballpark Lease” and “— Ballpark License Agreement.” See also “INFECTIOUS DISEASE OUTBREAK - COVID-19.”

Bond Insurance

Payment of the principal of and interest on the Series 2020 Bonds when due will be insured by the 2020 Insurer’s Policy (as defined in “BOND INSURANCE — Bond Insurance Policy”) in accordance with its terms.

In the event of default of the payment of principal or interest with respect to the Series 2020 Bonds when all or some becomes due, any owner of the Series 2020 Bonds shall have a claim under the Policy for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional prepayment of the Series 2020 Bonds by the Sports Authority which is recovered by the Sports Authority from the bond owner as a voidable preference under applicable bankruptcy law is covered by the Policy, however, such payments will be made by the 2020 Insurer at such time and in such amounts as would have been due absence such prepayment by the Sports Authority unless the 2020 Insurer chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the 2020 Insurer without appropriate consent. The 2020 Insurer may direct and must consent to any remedies and the 2020 Insurer's consent may be required in connection with amendments to the Indenture.

In the event the 2020 Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Series 2020 Bonds are payable solely from the moneys received pursuant to the Indenture. In the event the Indenture becomes obligated to make payments with respect to the Series 2020 Bonds, no assurance is given that such event will not adversely affect the market price of the Series 2020 Bonds or the marketability (liquidity) for the Series 2020 Bonds.

The long-term ratings on the Series 2020 Bonds are dependent in part on the financial strength of the 2020 Insurer and its claim paying ability. The 2020 Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the 2020 Insurer and of the ratings on the Series 2020 Bonds insured by the 2020 Insurer will not be subject to downgrade and such event could adversely affect the market price of the Series 2020 Bonds or the marketability (liquidity) for the Series 2020 Bonds. See "RATINGS"

The obligations of the 2020 Insurer are contractual obligations and in an event of default by the 2020 Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

Neither the Sports Authority or Underwriters have made independent investigation into the claims paying ability of the 2020 Insurer and no assurance or representation regarding the financial strength or projected financial strength of the 2020 Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the Sports Authority to pay principal and interest on the Bonds and the claims paying ability of the 2020 Insurer, particularly over the life of the investment. See "RATINGS" and "BOND INSURANCE" herein for further information provided by the Series 2020 Bonds and the Policy, which includes further instructions for obtaining current financial information concerning the Series 2020 Bonds.

Ratings

Moody's and S&P have issued underlying long-term ratings on the Series 2020 Bonds. Moody's and S&P also are expected to issue insured ratings on the Series 2020 Bonds based upon the issuance of the Policy by AGM at the time of delivery of the Series 2020 Bonds. See "BOND INSURANCE" and "RATINGS." There is no assurance that the ratings of the Series 2020 Bonds will be maintained for any given period of time or that such ratings will not be revised downward, suspended or withdrawn entirely by such rating agencies, if in their sole judgment, circumstances so warrant. Any such downward revision, suspension or withdrawal of such ratings may have an adverse effect on the market price of the Series 2020 Bonds. The Sports Authority has no obligation to maintain the ratings or to oppose any revisions or withdrawals.

Limited Obligations

The Series 2020 Bonds are special limited obligations of the Sports Authority that, together with the Outstanding Senior Lien, Second Lien, Junior Lien and Third Lien Bonds and any Additional Senior Lien, Second Lien, Junior Lien and Third Lien Bonds, are payable from and secured by a lien on the Trust Estate created under

the Indenture, as described in this Official Statement. THE SERIES 2020 BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE SPORTS AUTHORITY AND ARE NOT OBLIGATIONS OF THE COUNTY, THE CITY, THE STATE OF TEXAS OR ANY OTHER POLITICAL SUBDIVISION THEREOF. EXCEPT FOR THE LIMITED SPECIAL TAX REVENUES INCLUDED WITHIN REVENUES, THE OWNERS OF THE SERIES 2020 BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT THEREOF OUT OF ANY FUNDS RAISED OR TO BE RAISED BY TAXATION. THE SPORTS AUTHORITY HAS NO AD VALOREM TAXING POWER. See “SECURITY FOR THE SERIES 2020 BONDS — Limited Obligations” and “Trust Estate.”

Other than the pledge of the Trust Estate, the Sports Authority has not mortgaged, assigned or pledged any interest in any real or personal property, improvements or other physical property of the Sports Authority. See “– Limitations and Enforceability of Remedies; Bankruptcy.”

Limitation and Enforceability of Remedies; Bankruptcy

Remedies available to the Trustee in the event of a default by the Sports Authority in one or more of its obligations under the Indenture are limited. Although the Indenture provides that the Trustee may obtain a writ of mandamus requiring performance of such obligations, such remedy must be exercised upon each default and may prove time-consuming, costly and difficult to enforce. The Indenture does not provide for acceleration of maturity of the Series 2020 Bonds to protect the interest of the Owners or any other additional remedy in the event of a default by the Sports Authority and consequently, the remedy of mandamus may have to be invoked. The Series 2020 Bonds are not secured by a mortgage or deed of trust that would allow the Trustee (or any Owner) to foreclose on any physical property of the Sports Authority to pay the principal of and interest on the Series 2020 Bonds or any judgment obtained against the Sports Authority.

Chapter 1371, Texas Government Code, as amended (“Chapter 1371”), which pertains to the issuance of public securities by issuers such as the Sports Authority, permits the Sports Authority, in the proceedings authorizing the issuance of the Series 2020 Bonds, to waive sovereign immunity for the purpose of adjudicating a claim to enforce the same or for damages for their breach. The Sports Authority has waived the defense of sovereign immunity for the benefit of the Owners, for the purpose of adjudicating certain claims with respect to the Series 2020 Bonds and certain Credit Agreements entered into with the 2020 Insurer. Accordingly, the Trustee could seek a monetary judgment against the Sports Authority if a default occurred in the payment of principal of and interest on the Series 2020 Bonds or with respect to a breach of covenants contained in the Indenture. No assurance can be given regarding the enforceability of the Sports Authority’s waiver of sovereign immunity or that a mandamus or other legal action to enforce a default under the Indenture would be successful.

With respect to Bonds for which National and AGM have provided a Credit Facility, pursuant to and subject to the terms of the Indenture, certain actions, consents, waivers or rights which may be exercised by the Owner of any such Bond shall be exercised by National or AGM, as applicable, as though National or AGM, as applicable, were such Owner, provided that National or AGM, as applicable, is not in default on its payment obligations under any Credit Facility. See “SECURITY FOR THE SERIES 2020 BONDS — Default Provisions and Remedies — Credit Providers’ Right to Direct Remedies.”

The enforceability of the rights and remedies of Owners may be further limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the Sports Authority. The Sports Authority is specifically authorized by Texas law to be a debtor under Chapter 9 of the United States Bankruptcy Code (“Chapter 9”) and is therefore eligible to seek relief from its creditors under Chapter 9. If the Sports Authority were allowed to proceed voluntarily under Chapter 9, it could file a plan for an adjustment of its debts. If such a plan were confirmed by the bankruptcy court, it could, among other things, affect Owners by reducing or eliminating the amount of indebtedness, deferring or rearranging the debt service schedule, reducing or eliminating the interest rate, modifying or abrogating collateral or security arrangements, substituting (in whole or in part) other securities, and otherwise compromising and modifying the rights and remedies of the Owners’ claims against the Sports Authority.

In the event a voluntary or involuntary bankruptcy case is filed with respect to the Astros, a bankruptcy court could determine that the Sports Authority’s agreements with the Astros for the use and occupancy of Minute Maid Park are executory contracts or unexpired leases pursuant to Section 365 of the United States Bankruptcy

Code. In that event, a trustee in bankruptcy for the Astros as a debtor-in-possession might reject such party's agreements. If any such agreement were determined to be an unexpired lease of non-residential real property, the amount of any corresponding claim would be limited to the rent payable under such agreement (without acceleration) for the greater of one year or 15% of the remaining term of such agreement, but not to exceed three years, following the earlier of (i) the date the bankruptcy petition was filed, and (ii) the date on which the Sports Authority repossessed, or the Astros surrendered the leased property, plus any unpaid rentals (without acceleration) on the earlier of such dates.

The opinions of Co-Bond Counsel will note that its opinions relative to the enforceability of the Series 2020 Bonds and the Indenture are limited by laws applicable to the Sports Authority relating to bankruptcy, reorganization and other similar matters affecting creditors' rights, and by general principles of equity which permit the exercise of judicial discretion. See "APPENDIX E — FORMS OF CO-BOND COUNSEL'S OPINIONS."

Future and Proposed Legislation

The Texas Legislature will convene its Regular Session of the 87th Legislature in January, 2021. The Sports Authority makes no representations or predictions concerning the substance or effect of any legislation that may be proposed and ultimately passed in such Regular Session or any special session that may convene after the end of the Regular Session, or how any such legislation would affect the Revenues or the Astros Payments or the financial condition or operations of the Sports Authority.

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Series 2020A Bonds under Federal or state law and could affect the market price or marketability of the Series 2020A Bonds. Any such legislation, action or decision could limit the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. The likelihood of any such legislation, action or decision being enacted cannot be predicted. Prospective purchasers of the Series 2020A Bonds should consult their own tax advisors regarding the foregoing matters. See "TAX MATTERS — TAX-EXEMPT BONDS" herein.

Information Technology and Cybersecurity

The Sports Authority depends upon information and computing technology to conduct general business operations. In addition, the Sports Authority is dependent on local governments for the collection of Revenues. Technology systems may be subject to disruptions or security breaches that could materially disrupt the Sports Authority or local governments operations, cause reputational damage and/or give rise to losses or legal liability. The Sports Authority monitors these threats, however, no assurance can be given that the Sports Authority will fully prevent potential business continuity or cybersecurity risks arising from events wholly or partially beyond the Sports Authority's control, including electrical telecommunications outages, natural disasters, or cyber-attacks, or larger scale political events, including terrorist attacks. Any such occurrence could materially and adversely affect the Sports Authority's operations and reputation.

Severe Weather Events

The Sports Authority is located near the Texas Gulf Coast. Land located in this area is susceptible to high winds, heavy rain and flooding caused by hurricanes, tropical storms, and other tropical disturbances. The greater Houston area has experienced four storms exceeding a 0.2% probability (i.e. "500-year flood" event) since 2015. Several of these storms, including Hurricane Harvey, resulted in damages to residential and commercial properties in the Houston area. Such weather events can potentially impact sports events in the Houston area.

Exposure to Oil and Gas Industry

Recent declines in oil prices in the United States and globally may lead to adverse conditions in the oil and gas industry. Such adverse conditions may result in reduced revenues, declines in capital and operating expenditures, business failures, and the layoff of workers within the oil and gas industry. In the past, the greater Houston area has been affected by adverse conditions in the oil and gas industry, and adverse conditions in the oil and gas industry and spillover effects into other industries could adversely impact the Houston area and lead to a decline in attendance as sporting events.

BOND INSURANCE

The following information has been obtained from Assured Guaranty Municipal Corp. ("AGM" or the "2020 Insurer") for use in this Official Statement. The Sports Authority, the Financial Advisor to the Sports Authority and the Underwriters do not make any representations as to the completeness or accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

Bond Insurance Policy

Concurrently with the issuance of the Series 2020 Bonds, Assured Guaranty Municipal Corp. ("AGM") will issue separate Municipal Bond Insurance Policy for the Series 2020 Bonds (each a "Policy" and collectively, the "Policies"). The Policies guarantee the scheduled payment of principal of and interest on the Series 2020 Bonds when due as set forth in the form of the Policy included as an appendix to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Assured Guaranty Municipal Corp.

AGM is a New York domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO". AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and international public finance (including infrastructure) and structured finance markets and, as of October 1, 2019, asset management services. Neither AGL nor any of its shareholders or affiliates, other than AGM, is obligated to pay any debts of AGM or any claims under any insurance policy issued by AGM.

AGM's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A2" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AGM should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AGM in its sole discretion. In addition, the rating agencies may at any time change AGM's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AGM. AGM only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AGM on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings

On July 16, 2020, S&P announced it had affirmed AGM's financial strength rating of "AA" (stable outlook). AGM can give no assurance as to any further ratings action that S&P may take.

On December 19, 2019, KBRA announced it had affirmed AGM's insurance financial strength rating of "AA+" (stable outlook). AGM can give no assurance as to any further ratings action that KBRA may take.

On August 13, 2019, Moody's announced it had affirmed AGM's insurance financial strength rating of "A2" (stable outlook). AGM can give no assurance as to any further ratings action that Moody's may take.

For more information regarding AGM's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2019.

Capitalization of AGM

At June 30, 2020:

- The policyholders' surplus of AGM was approximately \$2,667 million.
- The contingency reserves of AGM and its indirect subsidiary Municipal Assurance Corp. ("MAC") (as described below) were approximately \$1,018 million. Such amount includes 100% of AGM's contingency reserve and 60.7% of MAC's contingency reserve.
- The net unearned premium reserves and net deferred ceding commission income of AGM and its subsidiaries (as described below) were approximately \$2,048 million. Such amount includes (i) 100% of the net unearned premium reserve and deferred ceding commission income of AGM, (ii) the net unearned premium reserves and net deferred ceding commissions of AGM's wholly owned subsidiaries Assured Guaranty (Europe) plc ("AGE UK") and Assured Guaranty (Europe) SA ("AGE SA"), and (iii) 60.7% of the net unearned premium reserve of MAC.

The policyholders' surplus of AGM and the contingency reserves, net unearned premium reserves and deferred ceding commission income of AGM and MAC were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGE UK and AGE SA were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AGM are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

- (i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2019 (filed by AGL with the SEC on February 28, 2020);
- (ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 (filed by AGL with the SEC on May 8, 2020); and
- (iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2020 (filed by AGL with the SEC on August 7, 2020).

All information relating to AGM included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at <http://www.sec.gov>, at AGL's website at <http://www.assuredguaranty.com>, or will be provided upon request to Assured Guaranty Municipal Corp.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AGM included herein under the caption "BOND INSURANCE" or included in a document incorporated by reference herein (collectively, the "AGM Information") shall be modified or superseded to the extent that any subsequently included AGM Information (either directly or through incorporation by reference) modifies or supersedes such previously included AGM Information. Any AGM Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AGM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading “BOND INSURANCE”.

DEBT SERVICE RESERVE ACCOUNT CREDIT FACILITIES

Senior Lien Debt Service Reserve Account Credit Facilities

The Twenty-Eight Supplemental Indenture establishes a Debt Service Reserve Requirement for the Series 2020A Bonds in the amount of \$3,779,230.33, which will be satisfied by the purchase of a Debt Service Reserve Account Credit Facility from the 2020 Insurer. The Twenty-Ninth Supplemental Indenture establishes a Debt Service Reserve Requirement for the Series 2020B Bonds in the amount of \$2,732,549.13, which will be satisfied by the purchase of a Debt Service Reserve Account Credit Facility from the 2020 Insurer. Such Debt Service Reserve Account Credit Facilities will expire on the date of the final maturity for the applicable series of bonds. See - “SECURITY FOR THE SERIES 2020 BONDS — Debt Service Reserve Requirements,”

The Series 2001A Bonds Debt Service Reserve Requirement is satisfied by a Debt Service Reserve Account Credit Facility from AGM in the amount of \$19,031,829.55.

The available amount of the Debt Service Reserve Account Credit Facilities is the initial face amount of each such Debt Service Reserve Account Credit Facility, less the amount of any previous deposits by AGM with the Trustee which have not been reimbursed by the Sports Authority. Pursuant to the respective Supplemental Indentures, the Sports Authority is required to reimburse AGM, within one year of any deposit, the amount of such deposit made by AGM with the Trustee under any Debt Service Reserve Account Credit Facility. Such reimbursement shall be made from the Trust Estate subject to the priority of payment provisions with respect thereto set forth under the Indenture. The Trustee is required to reimburse AGM, with interest, out of funds available under the Indenture, until the face amount of a Debt Service Reserve Account Credit Facility is reinstated. The Debt Service Reserve Account Credit Facilities are held by the Trustee in the Senior Lien Debt Service Reserve Account and are provided as an alternative to the Sports Authority depositing funds equal to the Reserve Requirement for Senior Lien Bonds.

The Debt Service Reserve Requirement for the Series 2001G Bonds was funded with a cash deposit.

Second Lien Debt Service Reserve Account Credit Facilities

No Debt Service Reserve Account Credit Facility is being provided for the Series 2020C Bonds. As described in “SECURITY FOR THE SERIES 2020 BONDS — Debt Service Reserve Requirements — Second Lien Bonds,” the Thirtieth Supplemental Indenture establishes a Debt Service Reserve Requirement with respect to the Series 2020C Bonds in the amount of \$2,533,554.35 that will be fully funded with a cash deposit into the applicable Subaccount of the Second Lien Debt Service Reserve Account from a portion of the proceeds of the Series 2020C Bonds. The amount to be deposited in such Subaccount of the Second Lien Debt Service Reserve Account is not pledged to any Bonds other than the Series 2020C Bonds.

There is no Debt Service Reserve Account Credit Facility for the Series 2014C Bonds. The Debt Service Reserve Requirement with respect to the Series 2014C Bonds was fully funded with a cash deposit into the applicable Subaccount of the Second Lien Debt Service Reserve Account from a portion of the proceeds of the Series 2014C Bonds. The amount to be deposited in such Subaccount of the Second Lien Debt Service Reserve Account is not pledged to any Bonds other than the Series 2014C Bonds. With the consent of the AGM, all or a portion of money on deposit in the Second Lien Debt Service Reserve Account may also be applied to the acquisition of a Debt Service Reserve Account Credit Facility in all or a portion of the amount of the Debt Service Reserve Requirement for the Series 2014C Bonds.

Junior Lien Debt Service Reserve Account Credit Facilities

There currently are no Junior Lien Debt Service Reserve Account Credit Facilities for the Junior Lien Bonds. Debt Service Reserve Requirement with respect to the Series 2001H Bonds was satisfied by the deposit of cash in the amount of \$13,000,000 at the time of delivery of the Series 2001H Bonds. The amounts on deposit with respect to the Series 2001H Bonds are not pledged to the Series 2020 Bonds.

Third Lien Debt Service Reserve Account

As of the date hereof, the Series 2004A-3 Bonds constitute the only Outstanding Third Lien Bonds. As described in “SECURITY FOR THE SERIES 2020 BONDS — Debt Service Reserve Requirements — Third Lien Bonds,” the Debt Service Reserve Requirement for the Series 2004A-3 Bonds was satisfied by the deposit of cash at the time of delivery thereof into the Series 2004A Debt Service Reserve Subaccount. Amounts in the Series 2004A Debt Service Reserve Subaccount will be applied to pay only principal of and interest on the Series 2004A-3 Bonds pursuant to the Indenture. With the consent of National, all or a portion of money on deposit in the Series 2004A Debt Service Reserve Subaccount may also be applied to the acquisition of a Debt Service Reserve Account Credit Facility in all or a portion of the amount of the Debt Service Reserve Requirement for the Series 2004A-3 Bonds.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

SPORTS AUTHORITY DEBT SERVICE SCHEDULE⁽¹⁾

	Senior Lien						Second Lien			Junior Lien	Third Lien	
	Series 2001A Debt Service	Series 2001G Debt Service	Series 20014A Debt Service	Series 2020A Senior Lien Debt Service	Series 2020 Senior Lien Debt Service	Total Senior Lien Debt Service	Series 2014C Debt Service	Series 2020C Debt Service	Total Second Lien Debt Service	Series 2001H Debt Service	Series 2004A Debt Service	Total Debt Service
12/31/2020	4,310,000	-	32,633,375	-	-	36,943,375	5,962,375	-	5,962,375	65,000	-	42,970,750
12/31/2021	-	-	-	1,788,703	1,398,355	3,187,058	-	1,098,228	1,098,228	-	-	4,285,286
12/31/2022	-	-	8,886,875	1,626,094	1,271,232	11,784,200	-	998,389	998,389	-	-	12,782,589
12/31/2023	-	-	25,952,500	1,626,094	1,271,232	28,849,825	6,121,750	998,389	7,120,139	4,095,000	-	40,064,964
12/31/2024	-	-	38,225,000	1,626,094	1,271,232	41,122,325	6,121,250	998,389	7,119,639	14,110,000	-	62,351,964
12/31/2025	-	-	38,226,000	1,626,094	1,271,232	41,123,325	6,122,250	998,389	7,120,639	15,995,000	-	64,238,964
12/31/2026	-	-	38,226,750	1,626,094	1,271,232	41,124,075	6,119,250	998,389	7,117,639	17,935,000	-	66,176,714
12/31/2027	-	-	38,229,000	1,626,094	1,271,232	41,126,325	6,117,000	998,389	7,115,389	19,935,000	-	68,176,714
12/31/2028	-	-	38,229,250	1,626,094	1,271,232	41,126,575	6,115,000	998,389	7,113,389	21,995,000	-	70,234,964
12/31/2029	-	-	38,229,000	1,626,094	1,271,232	41,126,325	6,117,750	998,389	7,116,139	24,115,000	-	72,357,464
12/31/2030	-	-	38,229,500	1,626,094	1,271,232	41,126,825	6,114,500	998,389	7,112,889	22,300,000	-	70,539,714
12/31/2031	34,891,211	-	3,336,750	1,626,094	1,271,232	41,125,286	6,120,000	998,389	7,118,389	12,570,000	10,465,000	71,278,675
12/31/2032	35,237,601	20,000	2,971,250	1,626,094	1,271,232	41,126,176	6,118,250	998,389	7,116,639	11,090,000	14,590,000	73,922,815
12/31/2033	35,591,547	30,000	2,604,500	1,626,094	1,271,232	41,123,372	6,119,000	998,389	7,117,389	5,175,000	22,795,000	76,210,761
12/31/2034	35,945,000	40,000	2,242,250	1,626,094	1,271,232	41,124,575	6,121,500	998,389	7,119,889	7,210,000	21,010,000	76,464,464
12/31/2035	36,305,681	45,000	1,250,000	1,626,094	1,271,232	40,498,006	-	5,383,389	5,383,389	9,500,000	24,525,000	79,906,395
12/31/2036	36,669,573	60,000	1,250,000	1,626,094	1,271,232	40,876,898	-	5,004,128	5,004,128	11,540,000	23,075,000	80,496,026
12/31/2037	36,901,296	75,000	1,250,000	1,626,094	1,271,232	41,123,621	-	4,752,973	4,752,973	14,100,000	20,120,000	80,096,594
12/31/2038	36,885,000	95,000	1,250,000	1,626,094	1,271,232	41,127,325	-	4,750,292	4,750,292	16,420,000	17,390,000	79,687,617
12/31/2039	36,864,854	115,000	1,250,000	1,626,094	1,271,232	41,127,179	-	4,751,628	4,751,628	18,950,000	14,475,000	79,303,807
12/31/2040	36,835,000	145,000	1,250,000	1,626,094	1,271,232	41,127,325	-	4,751,595	4,751,595	21,295,000	-	67,173,920
12/31/2041	-	25,440,000	12,790,000	1,626,094	1,271,232	41,127,325	-	-	-	50,790,000	-	91,917,325
12/31/2042	-	-	38,230,000	1,626,094	1,271,232	41,127,325	-	-	-	-	-	41,127,325
12/31/2043	-	-	38,230,000	1,626,094	1,271,232	41,127,325	-	-	-	-	-	41,127,325
12/31/2044	-	-	38,230,000	1,626,094	1,271,232	41,127,325	-	-	-	-	-	41,127,325
12/31/2045	-	-	38,230,000	1,626,094	1,271,232	41,127,325	-	-	-	-	-	41,127,325
12/31/2046	-	-	38,230,000	1,626,094	1,271,232	41,127,325	-	-	-	-	-	41,127,325
12/31/2047	-	-	38,230,000	1,626,094	1,271,232	41,127,325	-	-	-	-	-	41,127,325
12/31/2048	-	-	38,230,000	1,626,094	1,271,232	41,127,325	-	-	-	-	-	41,127,325
12/31/2049	-	-	38,230,000	1,626,094	1,271,232	41,127,325	-	-	-	-	-	41,127,325
12/31/2050	-	-	38,230,000	1,626,094	1,271,232	41,127,325	-	-	-	-	-	41,127,325
12/31/2051	-	-	38,230,000	1,626,094	1,271,232	41,127,325	-	-	-	-	-	41,127,325
12/31/2052	-	-	38,230,000	1,626,094	1,271,232	41,127,325	-	-	-	-	-	41,127,325
12/31/2053	-	-	38,225,250	1,626,094	1,271,232	41,122,575	-	-	-	-	-	41,122,575
12/31/2054	-	-	-	18,441,094	12,281,232	30,722,325	-	-	-	-	-	30,722,325
12/31/2055	-	-	-	18,440,625	12,277,761	30,718,386	-	-	-	-	-	30,718,386
12/31/2056	-	-	-	18,438,750	12,279,264	30,718,014	-	-	-	-	-	30,718,014
	366,436,762	26,065,000	825,267,250	109,144,172	78,916,019	1,405,829,203	79,389,875	43,471,290	122,861,165	319,185,000	168,445,000	2,016,320,368

⁽¹⁾. The foregoing schedule excludes the Other Obligations of the Sports Authority as described in "DESCRIPTION OF SPORTS AUTHORITY OBLIGATIONS NOT SUPPORTED BY THE TRUST ESTATE", the subordinate obligation of the Sports Authority, and any trustee fees and payments due to Credit Providers.

DESCRIPTION OF SPORTS AUTHORITY OBLIGATIONS NOT SUPPORTED BY THE TRUST ESTATE

The Sports Authority also has outstanding its Taxable Revenue Refunding Bonds (NRG Stadium Project) Series 2014 (the “2014 Stadium Bonds”) and its Taxable Revenue Refunding Bonds (Toyota Center Project) Series 2014 (the “2014 Arena Bonds”). Such other obligations are not secured by or payable from the Revenues, the Astros Payments or any other part of the Trust Estate established under the Indenture.

The 2014 Stadium Bonds were issued in the original principal amount of \$69,170,000 pursuant to an indenture of trust separate and apart from the Indenture. The 2014 Stadium Bonds are secured by and payable solely from revenues attributable to NRG Stadium, including tenant lease payments from the NFL Club and the Rodeo, parking and ticket tax revenues and a rebate of local sales tax revenues from events held at NRG Stadium.

The 2014 Arena Bonds were issued in the original principal amount of \$57,540,000 pursuant to a private placement agreement. The 2014 Arena Bonds are secured by and payable solely from revenues attributable to Toyota Center, including tenant lease payments from the Houston Rockets.

The revenues pledged to the 2014 Stadium Bonds and the 2014 Arena Bonds have been adversely impacted by the Pandemic. Events at both venues have been cancelled or rescheduled, and under certain circumstances the tenants at those venues may be entitled to rent offsets or credits. It is unclear how long the Pandemic’s negative impact on such revenues will continue. The Sports Authority is evaluating the rights and obligations of the parties under the lease documents, as well as plans for managing debt service and other obligations under the financing documents for the 2014 Stadium Bonds and 2014 Arena Bonds.

For additional information regarding such other obligations, see “APPENDIX B — AUDITED FINANCIAL STATEMENTS.” See also “INFECTIOUS DISEASE OUTBREAK – COVID-19.”

AUDITED FINANCIAL STATEMENTS

The audited financial statements of the Sports Authority for the fiscal year ended December 31, 2019 are found in APPENDIX B.

The Sports Authority has not requested Belt Harris Pechacek, LLLP to reissue its audited financial statements, and Belt Harris Pechacek, LLLP has not performed any procedures in connection with this Official Statement.

MANAGEMENT AND ORGANIZATION OF SPORTS AUTHORITY

Management and Organization

The Sports Authority is governed by a board of directors (the “Board”) consisting of thirteen voting members. Six members are appointed by the City, six members are appointed by the County, and the Chair of the Board is jointly appointed by the City and the County. The names of each member of the Board and their term expiration dates are provided below. A director may be removed at any time without cause by the appointing authority or jointly with respect to the removal of the Chair. **[Any updates?]**

Board Position	Name	Occupation	Appointed By	Term Expires (August 31) ⁽¹⁾
Chair	J. Kent Friedman	Attorney	City and County	2021
Vice-Chair.....	Lawrence R. Catuzzi	Business Executive	County	2020
Secretary	Dr. Laura Murillo	Business Executive	City	2021
Treasurer	Robert Woods	CEO of Non Profit	City	2021
Director	Cindy Clifford	Business Executive	City	2020
Director	Nomaan K. Husain	Attorney	City	2022
Director	Willie J. Alexander	Business Executive	City	2020
Director	Martye M. Kendrick	Attorney	City	2021
Director	Tom Sprague	Business Executive	County	2020
Director	Zina Garrison	Business Executive	County	2020
Director	Chad Burke	Business Executive	County	2021
Director	Bruce D. Oakley	Attorney	County	2021
Director	Joseph Alan Callier	Attorney	County	2021

⁽¹⁾ Sports Authority Board members serve for two-year terms and continue to serve until they are reappointed or replaced by another appointment of the City or County.

The Board has established four standing committees, the Executive Committee, the Finance Committee, the Marketing Committee and the Building Committee, and various ad-hoc committees. Janis Burke serves as Chief Executive Officer and Tom Waggoner serves as Controller of the Sports Authority.

Biographical information concerning the officers of the Board and the Chief Executive Officer and Controller of the Sports Authority is provided below.

J. Kent Friedman, Chair. J. Kent Friedman was first appointed to a two-year term to the Board of the Sports Authority by the City in August 2003, and was jointly appointed by the City and County as Chair of the Board in August 2007, and has served as Chair of the Board since that time. Between 1968 and 1982, Mr. Friedman practiced law with the firm of Butler, Binion, Rice, Cook & Knapp. On February 1, 1982, he joined with several friends to form the firm formerly known as Mayor, Day, Caldwell & Keeton, L.L.P. Mr. Friedman was the firm's managing partner from its formation until 1992. His practice has been primarily in the corporate and tax areas, and he has represented a number of highly successful entrepreneurs. When former Mayor Bob Lanier was elected in 1992, Mr. Friedman was the Trustee of the blind trust he established to hold his assets, and for the six years Bob Lanier was the Mayor of Houston, Mr. Friedman was in charge of running his various business interests.

Mr. Friedman is President of the Mickey Leland Kibbutzim Internship Foundation, serves on the Boards of Directors of the Hermann Park Conservancy, the Harris County Precinct One Street Olympics, the Texas Bowl, and the Leo Baeck Educational Center Foundation. He is also a member of the Tulane University President's Council. Mr. Friedman is a member of the American, Texas and Houston Bar Associations, and a Fellow of both the Houston Bar Foundation and the Texas Bar Foundation.

Mr. Friedman previously served as a member of the Board of Regents of Texas Southern University and as a member of the Executive Committee of the Board of Directors of the Houston Symphony. In addition, he has served as Chairman of the Board of Hermann Park Conservancy, Co-Chairman of the Greater Houston Inner City Games, President of the Foundation for Jones Hall, President of the Southwest Region of the American Jewish Committee, and Chairman of the Community Relations Council of the Jewish Federation of Greater Houston. He has also served on the Boards of the Houston Area Women's Center, Houston Interfaith Ministries, Anti-Defamation League and Houston Proud.

The Houston Bar Association Auxiliary in 1999 presented Mr. Friedman with the Leon Jaworski Award, which is given annually to that member of the Houston Bar Association who is deemed to have made the most significant contributions to the civic and cultural life of Houston. The American Jewish Committee has awarded him the Max Nathan Award, given to a member of the Jewish community who has succeeded in both strengthening the Jewish community as well as building bridges to the larger Houston community. Mr. Friedman has also been the recipient of the Man of the Year Award from the Cystic Fibrosis Foundation's Houston Competes for the Cure, and the Spirit of Life Award from the Seven Acres Jewish Senior Care Center.

Mr. Friedman attended Tulane University, receiving a B.B.A. degree in 1966 and a LL.B. degree in 1967. In addition, he received a LL.M. degree in Taxation from Boston University in 1968.

Lawrence R. Catuzzi, Vice-Chair. Lawrence R. Catuzzi was first appointed to a two-year term to the Board of the Sports Authority by the Harris County Commissioners Court in October 1998, and has served on the Board since that time, currently as Vice Chairman.

Mr. Catuzzi is a graduate of the University of Delaware, where he earned both his undergraduate and graduate degrees. Following a graduate fellowship at the University of Delaware, he coached football at the University of Dayton, Indiana University, The Ohio State University and Williams College before switching careers. Mr. Catuzzi most recently served as a Director for Financial Security Assurance (FSA). Prior to joining FSA, he was Managing Director with Rauscher Pierce Refsnes, Inc., and before that date, as an investment banker and on the Board of Directors of Underwood, Neuhaus & Co. in Houston, and with Morgan Guaranty Trust Co. of New York in sales and trading.

Mr. Catuzzi currently serves on the Board of Directors of the Lauren Catuzzi Grandcolas Foundation, the Flight 93 Federal Advisory Commission, the Leadership Council for Texas Children's Hospital (formerly the Board of Visitors), and the Texas Bowl of Houston. He also formally served on the Board of Directors of Lakeside Country Club, the Houston Grand Opera, Naylor Industries/Insituform, the Board of Visitors of the University of Dallas, Buffalo Creek Country Club, Underwood Neuhaus Financial Corporation, and the American Diabetes Association.

In recognition of his investment banking and public finance background, Mr. Catuzzi was selected to serve as a member of the National Public Securities Association and the State of Texas Municipal Advisory Council (MAC). He is also a past chairman of the MAC.

Dr. Laura Murillo, Secretary. Dr. Laura Murillo is President and CEO of the Houston Hispanic Chamber of Commerce. With the support of the Chamber Board and Staff she has set unprecedented records, including becoming the largest Hispanic Chamber in the Country.

She also serves as the Founding President & CEO of the Chamber's Foundation, Founding Executive Producer/Host for the Chamber's Television Program on CBS KHOU and for the Chamber's Radio and TV Program on Univision. Additionally, she is the Founding Executive Producer/Host for the Chamber's Radio Program on (6) CBS Radio Stations and Telemundo Political Commentator.

She served as an Executive at Memorial Hermann-Texas Medical Center. She holds a B.A., a Masters Degree, and a Doctorate from the University of Houston, where she served as an Executive. The University of Houston bestowed its highest honor, the President's Medallion, to the Chamber and Dr. Murillo.

She has received many state, national and international honors including being named among the "Most Powerful & Influential Women in Texas" and the "Top Latino Leader Award" by the National Diversity Council, "Woman of the Year" by Success Magazine and the "International Leadership Award" by Texas Women's Empowerment Foundation.

Dr. Murillo was also included in the "Top 10 Who's Who in Business" and has been named a "Top 5 C-Suite CEO Finalist" by the Houston Business Journal. In 2014, she was honored with the "Hispanic Leadership Award" by the National Football League (NFL).

Dr. Murillo serves on the Houston BBVA Board of Directors, the University of Houston Board Of Advisors, the University of Texas MD Anderson Cancer Center Board of Visitors, the Houston Symphony's Hispanic Leadership Council, the Mayor's Hispanic Advisory Board, the Harris County-Houston Sports Authority Board of Directors, the Houston Super Bowl Host Committee and the U.S. Global Leadership Coalition's Texas Advisory Committee. In addition, she has served as a political analyst for Telemundo.

Robert Woods, M.Ed., Treasurer. Robert Woods, M.Ed., is co-founder and Chief Executive Officer of the Center for Success and Independence (TCSI), a CARF-certified, non-profit mental health and substance abuse prevention and treatment agency serving adolescents ages 12-17 since 1999. TCSI provides long-term residential treatment and intensive outpatient services to youth who are suffering from emotional distress, behavioral health issues, substance abuse, other addictive disorders, and trauma, such as abuse, neglect, abandonment and child sex trafficking.

In 2015, TCSI launched the Recreational Alternative Program (RAP), a new peer support after-school recovery program designed in partnership with Harris County Juvenile Probation and Rockwell Foundation for low-income and minority adolescents. TCSI was also named the recipient of a federal grant with Montrose Clinic for the development of pregnancy and STD prevention programs for youth, especially in the LGBT community. TCSI also provides training and clinical services to address traumatic stress disorders among juvenile justice-involved youth, with a special focus on girls and boys who are victims of domestic child sex trafficking. Mr. Woods has been successful in building partnerships for these expanded programs with generous grants from SAMHSA, the Substance Abuse and Mental Health Services Administration, Rockwell Fund, and The Simmons Foundation, among others, and is currently working with the Victims of Crime Act. In addition to his duties at the Center, Mr. Woods maintains a private practice and is sought out as a trusted advisor to organizations interested in starting residential treatment facilities and as a mentor for teens.

Mr. Woods began his former football career at Grambling State University. He was ranked as a number one punt returner in the nation as a college senior, and was ranked in the top ten for yardage and points scored. He was a world-class sprinter who was ranked among the top five fastest men in the world for two years in a row. Upon graduation, he was drafted in the fifth round of the NFL draft by the Kansas City Chiefs. He subsequently played with the Cleveland Browns, the Detroit Lions, and for three years with the Houston Oilers. Mr. Woods also played in the Canadian Football League. As a Certified Therapeutic Recreational Specialist (CTRS), he uses his experience in sports and activity to engage his patients in the therapeutic process. Mr. Woods went on to earn his M.Ed. at Texas Southern University.

Mr. Woods serves on several boards, including the Homeless Youth Network of Houston/Harris County, Network of Behavioral Health Providers, Adolescent Recovery Oriented Systems of Care (AROSC), the NFL Alumni Association, Houston Heights Association, and the advisory board for the "Generation Found" film production, a story of youths, their families and the community in the process of recovery. He has also served on the boards of the Houston Area Women's Center and Child Advocates.

He is an active volunteer with the Dan Pastorini Charity and Bum Phillips Charities and actively participates in fundraising events for these and other organizations. Mr. Woods is also a 2019 Be an Angel Honoree recipient and a proud donor of his alma mater Grambling State University's Robert Woods Scholarship.

Janis Burke, Chief Executive Officer. Janis Burke, CSEE has served as Chief Executive Officer of the Sports Authority since 2006. Ms. Burke became the third chief executive and first woman to hold the position since the inception of the Sports Authority in 1997. In addition to overseeing the bond program of the Sports Authority, under her leadership, Houston has been awarded major sporting events to include: U.S. Olympic Trials, collegiate tournaments, numerous National and World Championships, AAU Junior Olympics, and the Transplant Games of America. In addition to sitting on the Board of Directors for the Sports Events & Tourism Association, Ms. Burke has also been recognized locally by Conference USA and Rice University for her outstanding contributions and achievements as a woman in the Houston sports industry, identified by the Texas Executive Women's Association as a "Woman on the Move," and recently named one of "Houston's 50 Most Influential Women" by the Houston Business Journal.

Tom Waggoner, Controller. Tom Waggoner joined the staff of the Sports Authority as the full time Controller in 2013, prior to working with the Sports Authority on a part time, contractual basis for four years. He began his career in the Finance Department of Harris County and then worked as the Director of Finance for the Harris County Sports and Convention Corporation, the organization that manages the facilities at NRG Park. The Sports Authority issued bonds for the construction of Reliant Stadium, now NRG Stadium, in 2001, and Tom has worked with the flow of funds for those bonds since they were issued.

Phil Ochoa, Director of Finance & Treasury. Phil Ochoa joined the staff of the Sports Authority as the full time Director of Finance in February of 2018, prior to working with the Sports Authority on a contractual basis for two years. He began his career as an auditor in the Auditor's office of Harris County. He also spent three years working for the Harris County Purchasing department and the Harris County Budget office as an investment officer. After his years with Harris County Phil entered the oil and gas corporate sector where he worked as an International accountant, Accounting Manager for LATAM region, corporate Treasury Risk Manager, assistant Treasurer and then Corporate Treasurer.

Budgeting and Operations

The Sports Authority has established its fiscal year to begin on January 1 and to end on December 31 of each calendar year. The Sports Authority's annual operating budget will be used to fund operating and maintenance expenses of the Sports Authority to the extent funding is available from the Trust Estate. Pursuant to the terms of the Indenture, funding of the Annual Operating Budget is subordinated to the debt service on Senior Lien Bonds, Second Lien Bonds and Junior Lien Bonds. See "SECURITY FOR THE SERIES 2020 BONDS — Flow of Funds for Revenues" and "Flow of Funds for Astros Payments." Due to the events relating to the 2001 Variable Rate Bonds and the related Swap Agreements (all as described in "PURPOSE AND PLAN OF FINANCE — Purpose and Background"), the Sports Authority has not received any funds from the Trust Estate for its operating and maintenance expenses since November 2009. The Sports Authority has been funding such expenses since such time from existing funds on deposit in the General and Administrative Account and other available funds. The Sports Authority's Annual Operating Budget for fiscal year 2020 is summarized below.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Schedule 4 — Sports Authority 2020 Budget⁽¹⁾**2020 Adopted Budget - General Fund****REVENUES⁽²⁾**

Vehicle Rental Tax Revenues	\$24,168,197
Hotel Occupancy Tax Revenues	28,344,786
Rent & Royalty Income — Astros Payments ⁽³⁾	8,100,000
Guaranteed Payments – Texans	4,010,000
Stadium Revenues — NFL, Governmental & Rodeo	10,124,378
Rental Income — Rockets	8,500,000
Investment Income	2,000,000
Events: Sponsorships/Contributions/Reimb	2,909,366
Miscellaneous Revenues (Dynamo, Rent and Other)	101,692

Total Revenues**\$88,258,419****GENERAL AND ADMINISTRATIVE EXPENSES**

Professional Fees	\$ 700,000
Personnel - Salary	1,772,867
Personnel – Benefits	555,000
Office Rent	373,000
Office Expenses	180,000
Insurance - Office/Board	65,000
Board Expense/Retreat	8,211
Board Task Force Travel - Stadium Site Visits	10,000
Community Relations	35,000
Marketing & Sports Events (travel, sales efforts, etc.)	820,000
Advertising & PR	15,000
Training	15,000
Contractual Obligation (Property Taxes)	240,570
Event Memberships & Subscriptions	2,000

Total General & Administrative Expenses⁽⁴⁾**\$4,791,648****Excess of Revenues over Expenditures****\$83,466,771**

⁽¹⁾ The 2020 Budget was adopted prior to COVID-19. The next budget for 2021 will be presented to the Sports Authority's Board for consideration and approval in November 2020.

⁽²⁾ The only revenues shown in the foregoing schedule that are pledged as part of the Trust Estate are the receipts from the Hotel Occupancy Tax, the Vehicle Rental Tax and the Astros Payments. See "SECURITY FOR THE SERIES 2020 BONDS" and "DESCRIPTION OF PLEDGED REVENUES ⁽³⁾ Such amount is comprised of (i) the Astros Payments (consisting of the annual payments of \$3,650,000 as rent and \$1,200,000 as Royalty Payments), and (ii) \$3,250,000 payable by the Astros for deposit into the Asset Renewal and Replacement Fund. The amount payable for deposit into the Asset Renewal and Replacement Fund is not pledged to, or otherwise available to pay debt service on, any Senior Lien, Second Lien, Junior Lien or Third Lien Bonds, including the Series 2020 Bonds. See "DESCRIPTION OF PLEDGED REVENUES — Astros Payments," "— Current Status of Astros Payments," and "— Agreements Relating to Minute Maid Park."

⁽⁴⁾ See paragraph G. under "SECURITY FOR THE SERIES 2020 BONDS — Flow of Funds for Revenues" for funding of the Sports Authority's Annual Budgeted General and Administrative Amount from Revenues.

LITIGATION

There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body known to the Sports Authority to be pending or threatened against the Sports Authority wherein an unfavorable decision, ruling or finding would adversely affect (i) the title to office of any member or officer of the Sports Authority or any power of the Sports Authority material to the authorization and issuance of the Series 2020 Bonds, or (ii) the validity of the proceedings taken for the adoption, authorization, execution, delivery and performance by the Sports Authority of, or the validity or enforceability of, the Series 2020 Bonds.

INVESTMENT AUTHORITY AND INVESTMENT PRACTICES OF THE SPORTS AUTHORITY

The Sports Authority invests its investable funds in investments authorized by State law in accordance with investment policies approved by the Sports Authority. **Both State law and the Sports Authority's investment policies are subject to change.**

Legal Investments

Under State law, the Sports Authority is authorized to invest in (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks; (2) direct obligations of the State or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States; (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "A" or its equivalent; (6) bonds issued, assumed or guaranteed by the State of Israel; (7) interest-bearing banking deposits that are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, or the National Credit Union Share Insurance Fund or its successor; (8) interest-bearing banking deposits other than those described by clause (7) if (A) the funds invested in the banking deposits are invested through: (i) a broker with a main office or branch office in this State that the Sports Authority selects from a list the governing body of the Sports Authority or designated investment committee of the Sports Authority adopts as required by Section 2256.025, Texas Government Code; or (ii) a depository institution with a main office or branch office in the State that the Sports Authority selects; (B) the broker or depository institution selected as described by (A) above arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for the Sports Authority's account; (C) the full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and (D) the Sports Authority appoints as the Sports Authority's custodian of the banking deposits issued for the Sports Authority's account: (i) the depository institution selected as described by (A) above; (ii) an entity described by Section 2257.041(d), Texas Government Code; or (iii) a clearing broker dealer registered with the SEC and operating under SEC Rule 15c3-3; (9) (i) certificates of deposit or share certificates meeting the requirements of Chapter 2256, Texas Government Code (the "Public Funds Investment Act"), that are issued by an institution that has its main office or a branch office in the State and are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, or their respective successors, and are secured as to principal by obligations described in clauses (1) through (8) or in any other manner and provided for by law for Sports Authority deposits, or (ii) certificates of deposits where (a) the funds are invested by the Sports Authority through (A) a broker that has its main office or a branch office in the State and is selected from a list adopted by the Sports Authority as required by law, or (B) a depository institution that has its main office or branch office in the State that is selected by the Sports Authority, (b) the broker or the depository institution selected by the Sports Authority arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the Sports Authority, (c) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States, and (d) the Sports Authority appoints the depository institution selected under (a) above, a custodian as described by Section 2257.041(d), Texas Government Code, or a clearing broker-dealer registered with the SEC and operating pursuant to SEC Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the Sports Authority with respect to the certificates of deposit; (10) fully collateralized repurchase agreements as defined in the Public Funds Investment Act, that have a defined termination date, are secured by a combination of cash and obligations described in clauses (1) or (13) in this paragraph, require the securities being purchased by the Sports Authority or cash held by the Sports Authority to be pledged to the Sports Authority, held in the Sports Authority's name, and deposited at the time the investment is made with the Sports Authority or with a third party selected and approved by the Sports Authority, and are placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State; (11) securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (8) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than "A" or its equivalent or (c) cash invested in obligations described in clauses (1) through (8) above, clauses (13) through (15) below, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the Sports Authority, held in the Sports Authority's name and deposited at the time the investment is made with the Sports Authority or a third party designated by the Sports Authority; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State; and (iv) the agreement to lend securities has a term of one year or less; (12) certain bankers' acceptances with stated maturity of 270 days or less, if the short-term obligations of the accepting bank or its parent are rated not less than "A-1" or "P-1" or the equivalent by at least one nationally recognized credit rating agency; (13) commercial paper with a stated maturity of 365 days or less that is rated not less than "A-1" or "P-1" or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a United States or state bank; (14) no-load money market mutual funds registered with and regulated by the SEC that provide the Sports Authority with a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of

1940 and that comply with federal SEC Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.); and (15) no-load mutual funds registered with the SEC that have an average weighted maturity of less than two years, and have either (a) a duration of one year or more and invest exclusively in obligations described in under this heading, or (b) a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities. In addition, bond proceeds may be invested in guaranteed investment contracts that have a defined termination date and are secured by obligations, including letters of credit, of the United States or its agencies and instrumentalities, other than the prohibited obligations described below, in an amount at least equal to the amount of bond proceeds invested under such contract.

The Sports Authority may enter into securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (8) above, other than the prohibited obligations described below, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than A or its equivalent or (c) cash invested in obligations described in clauses (1) through (8) above, clauses (13) through (15) above, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the Sports Authority, held in the Sports Authority's name and deposited at the time the investment is made with the Sports Authority or a third party designated by the Sports Authority; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State; and (iv) the agreement to lend securities has a term of one year or less.

The Sports Authority may invest in such obligations directly or through government investment pools that invest solely in such obligations provided that the pools are rated no lower than "AAA" or "AAAm" or an equivalent by at least one nationally recognized rating service. The Sports Authority may also contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control for a term up to two years, but the Sports Authority retains ultimate responsibility as fiduciary of its assets. In order to renew or extend such a contract, the Sports Authority must do so by order, ordinance, or resolution.

State law specifically prohibits the Sports Authority from investing in: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity of greater than 10 years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Investment Policies

Under State law, the Sports Authority is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity; that address investment diversification, yield, maturity, and the quality and capability of investment management; that include a list of authorized investments for Sports Authority funds, the maximum allowable stated maturity of any individual investment and the maximum average dollar-weighted maturity allowed for pooled fund groups; methods to monitor the market price of investments acquired with public funds; a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis; and procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with State law. All Sports Authority funds must be invested consistent with a formally adopted investment strategy that specifically addresses each fund's investment. Each investment strategy will describe its objectives concerning: (1) suitability of investment type, (2) preservation and safety of principal, (3) liquidity, (4) marketability of each investment, (5) diversification of the portfolio, and (6) yield.

Under State law, the Sports Authority's investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." At least quarterly the Sports Authority's investment officers must submit an investment report to the Board detailing: (1) the investment position of the Sports Authority, (2) that all investment officers jointly prepared and signed the report, (3) the beginning market value, and any additions and changes to market value, the ending value of each pooled fund group and fully accrued interest for the reporting period, (4) the book value and market value of each separately listed asset at the beginning and end of the reporting period, (5) the maturity date of each separately invested asset, (6) the account or fund or pooled fund group for which each individual investment was acquired, and (7) the compliance of the investment portfolio as it relates to: (a) adopted investment strategies and (b) State law. No person may invest Sports Authority funds without express written authorization from the Sports Authority.

Under State law, the Sports Authority is additionally required to: (1) annually review its adopted policies and strategies; (2) require any investment officers with personal business relationships or family relationships with firms seeking to sell securities to the Sports Authority to disclose the relationship and file a statement with the Texas Ethics Commission and the Sports Authority; (3) require the registered principal of firms seeking to sell securities to the Sports Authority to: (a) receive and review the Sports Authority's investment policy, (b) acknowledge that reasonable controls and procedures have been implemented to preclude

imprudent investment activities, and (c) deliver a written statement attesting to these requirements; (4) in conjunction with its annual financial audit, perform a compliance audit of the management controls on investments and adherence to the Sports Authority's investment policy; (5) restrict reverse repurchase agreements to not more than 90 days and restrict the investment of reverse repurchase agreement funds to no greater than the term of the reverse repurchase agreement; (6) restrict the investment in no-load mutual funds in the aggregate to no more than 15% of the Sports Authority's monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service; and (7) provide specific investment training for the investment officer.

The Sports Authority has adopted an investment policy that meets the foregoing requirements of State law. Copies of the Sports Authority's investment policy are available for examination at the offices of the Sports Authority. See "APPENDIX C — EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE."

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Series 2020 Bonds are subject to the unqualified approval of the Attorney General of the State of Texas and the approval of certain legal matters by Co-Bond Counsel. Co-Bond Counsel has been engaged by the Sports Authority and only represents the Sports Authority in connection with the issuance of the Series 2020 Bonds. Co-Bond Counsel was not requested to participate and did not take part in the preparation of this Official Statement except as hereinafter noted, and such firm did not assume any responsibility with respect thereto or undertaken independently to verify any of the information contained herein, except that, in its capacity as Co-Bond Counsel, such firm reviewed the information under the captions "INTRODUCTION," "PURPOSE AND PLAN OF FINANCE — Background, Tender and Purpose — Purpose," "— Refunded Obligations," "DESCRIPTION OF THE SERIES 2020 BONDS" "DESCRIPTION OF PLEDGED REVENUES — Hotel Occupancy Tax," (but excluding the third paragraph), "DESCRIPTION OF PLEDGED REVENUES — Vehicle Rental Tax," "SECURITY FOR THE SERIES 2020 BONDS" (except for "—Flow of Funds for Revenues — Diagram" and "—Flow of Funds for Astros Payments — Diagram"), "INVESTMENT CONSIDERATIONS — Limited Obligations" (but excluding the second paragraph of such caption), "INVESTMENT CONSIDERATIONS — Limitation and Enforceability of Remedies; Bankruptcy" (but excluding the fourth and fifth paragraphs of such caption), "LEGAL MATTERS" (as it relates to the opinion of Co-Bond Counsel and their review of this Official Statement), "TAX MATTERS — TAX-EXEMPT BONDS," "TAX MATTERS — TAXABLE BONDS" and "CONTINUING DISCLOSURE OF INFORMATION" and in Appendices A, C, D and E in this Official Statement, solely to confirm that the information relating to the Series 2020 Bonds, the Indenture or the Escrow Agreements and the description of matters of law contained under such captions and Appendices are an accurate and fair description of the Series 2020 Bonds, the Indenture or the Escrow Agreements and the matters of law addressed therein and, with respect to the Series 2020 Bonds, such information conforms to the Indenture. A portion of legal fees to be paid to Co-Bond Counsel in connection with the issuance of the Series 2020 Bonds is contingent on the sale and delivery of the Series 2020 Bonds. Certain legal matters will be passed upon for the Underwriters by their counsel, Bracewell LLP, of Houston, Texas and West & Associates, L.L.P., Houston, Texas, whose legal fees are contingent on the sale and delivery of the Bonds. Certain legal matters will be passed upon for the Sports Authority by its general counsel, Hunton Andrews Kurth LLP Houston, Texas. Certain legal matters also will be passed upon for the Sports Authority by Orrick Herrington & Sutcliffe LLP, Houston, Texas and The Law Office of Wendy Montoya Cloonan, PLLC, Houston, Texas, Co-Special Disclosure Counsel.

The various legal opinions to be delivered concurrently with the delivery of the Series 2020 Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering legal opinions, the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction, nor does the rendering of opinions guarantee the outcome of any legal dispute that may arise out of the transaction.

Hunton Andrews Kurth LLP, Norton Rose Fulbright US LLP, Bracewell LLP, Orrick, Herrington & Sutcliff LLP and West & Associates, L.L.P. represent the Underwriters from time to time on matters unrelated to the Series 2020 Bonds. Bracewell LLP also has represented the Rodeo on matters relating to NRG Stadium and certain agreements between the Rodeo and the Sports Authority. Bruce D. Oakley, one of the members of the Sports Authority's Board, is a partner in the Houston office of the law firm of Hogan Lovells. Such law firm represents AGM in connection with various matters. Mr. Oakley is not directly involved in the representation of AGM and Hogan Lovells does not represent AGM as to the Series 2020 Bonds.

TAX MATTERS — TAX-EXEMPT BONDS

Tax Exemption

The delivery of the Series 2020A Bonds is subject to the opinions of Co-Bond Counsel to the effect that interest on the Series 2020A Bonds for federal income tax purposes (1) will be excludable from gross income, as defined in section 61 of the Internal Revenue Code of 1986, as amended to the date of such opinions (the "Code"), pursuant to section 103 of the Code and existing regulations, published rulings, and court decisions, and (2) will not be included in computing the alternative minimum taxable income

of the owners. Forms of Co-Bond Counsel's opinions are reproduced as APPENDIX E hereto. The statutes, regulations, rulings, and court decisions on which such opinions are based are subject to change.

The Indenture provides that prior to taking certain actions the Sports Authority must have received an opinion of nationally recognized bond counsel to the effect that such action will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series 2020A Bonds (an "Opinion of Bond Counsel"). Bond Counsel will express no opinion as to the effect on the exclusion from gross income for federal income tax purposes of interest on the Series 2020A Bonds on and after taking any action under the Indenture which requires that the Sports Authority shall have received an Opinion of Bond Counsel, as such Opinion of Bond Counsel must be rendered in connection with such action and is dependent upon the occurrence of certain events in the future.

In rendering the foregoing opinions, Co-Bond Counsel will rely upon representations and certifications of the Sports Authority made in a certificate dated the date of delivery of the Series 2020A Bonds pertaining to the use, expenditure, and investment of the proceeds of the Series 2020A Bonds and will assume continuing compliance by the Sports Authority with the provisions of the Indenture and the various agreements and leases relating to the financed facilities subsequent to the issuance of the Series 2020A Bonds. The Indenture and such agreements and leases contain covenants by the Sports Authority with respect to, among other matters, the use of the proceeds of the Series 2020A Bonds and the facilities financed therewith by persons other than state or local governmental units, the manner in which the proceeds of the Series 2020A Bonds are to be invested, the periodic calculation and payment to the United States Treasury of arbitrage "profits" from the investment of proceeds, and the reporting of certain information to the United States Treasury. Failure to comply with any of these covenants may cause interest on the Series 2020A Bonds to be includable in the gross income of the owners thereof from the date of the issuance of the Series 2020A Bonds.

Co-Bond Counsels' opinions are not guarantees of a result, but represent its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the Sports Authority described above. No ruling has been sought from the Internal Revenue Service (the "IRS") with respect to the matters addressed in the opinions of Co-Bond Counsel, and Co-Bond Counsels' opinions are not binding on the IRS. The IRS has an ongoing program of auditing the tax-exempt status of the interest on tax-exempt obligations. If an audit of the Series 2020A Bonds is commenced, under current procedures the IRS is likely to treat the Sports Authority as the "taxpayer," and the owners of the Series 2020A Bonds would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Series 2020A Bonds, the Sports Authority may have different or conflicting interests from the owners of the Series 2020A Bonds. Public awareness of any future audit of the Series 2020A Bonds could adversely affect the value and liquidity of the Series 2020A Bonds during the pendency of the audit, regardless of its ultimate outcome.

Except as described above, Co-Bond Counsel expresses no other opinion with respect to any other federal, state or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Series 2020A Bonds. Prospective purchasers of the Series 2020A Bonds should be aware that the ownership of tax-exempt obligations such as the Series 2020A Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

Existing law may change to reduce or eliminate the benefit to bondholders of the exclusion of interest on the Series 2020A Bonds from gross income for federal income tax purposes. Any proposed legislation or administrative action, whether or not taken, could also affect the value and marketability of the Series 2020A Bonds. Prospective purchasers of the Series 2020A Bonds should consult with their own tax advisors with respect to any proposed or future changes in tax law.

Tax Accounting Treatment of Discount and Premium on Certain Bonds

The initial public offering price of certain Series 2020A Bonds (the "Discount Bonds") is less than the amount payable on such Series 2020A Bonds at maturity. An amount equal to the difference between the initial public offering price of a Discount Bond (assuming that a substantial amount of the Discount Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Bond. A portion of such original issue discount allocable to the holding period of such Discount Bond by the initial purchaser will, upon the disposition of such Discount Bond (including by reason of its payment at maturity), be treated as interest excludable from gross income, rather than as taxable gain, for federal income tax purposes, on the same terms and conditions as those for other interest on the Series 2020A Bonds described above under "Tax Exemption." Such interest is considered to be accrued actuarially in accordance with the constant interest method over the life of a Discount Bond, taking into account the semiannual compounding of accrued interest, at the yield to maturity on such

Discount Bond and generally will be allocated to an initial purchaser in a different amount from the amount of the payment denominated as interest actually received by the initial purchaser during the tax year.

However, such accrued interest may be required to be taken into account the amount of the branch profits tax applicable to certain foreign corporations doing business in the United States, even though there will not be a corresponding tax payment. In addition, the accrual of such interest may result in certain other collateral federal income tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Moreover, in the event of the redemption, sale or other taxable disposition of a Discount Bond by the initial owner prior to maturity, the amount realized by such owner in excess of the basis of such Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Discount Bond was held) is includable in gross income.

Owners of Discount Bonds should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Bonds. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The initial public offering price of certain Series 2020A Bonds (the “Premium Bonds”) is greater than the amount payable on such Series 2020A Bonds at maturity. An amount equal to the difference between the initial public offering price of a Premium Bond (assuming that a substantial amount of the Premium Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes premium to the initial purchaser of such Premium Bonds. The basis for federal income tax purposes of a Premium Bond in the hands of such initial purchaser must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Bond. The amount of premium which is amortizable each year by an initial purchaser is determined by using such purchaser’s yield to maturity.

Purchasers of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium on Premium Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

TAX MATTERS — TAXABLE BONDS

The following is a general summary of certain United States federal income tax consequences of the purchase and ownership of the Series 2020B Bonds and the Series 2020C Bonds (together, the “Taxable Bonds”). The discussion is based upon laws, Treasury Regulations, rulings and decisions now in effect, all of which are subject to change or possibly differing interpretations. No assurances can be given that future changes in the law will not alter the conclusions reached herein. The discussion below does not purport to deal with United States federal income tax consequences applicable to all categories of investors. Further, this summary does not discuss all aspects of United States federal income taxation that may be relevant to a particular investor in the Series 2020B Bonds in light of the investor’s particular personal investment circumstances or to certain types of investors subject to special treatment under United States federal income tax laws (including insurance companies, tax exempt organizations, financial institutions, brokers-dealers, and persons who have hedged the risk of owning the Series 2020B Bonds). The summary is therefore limited to certain issues relating to initial investors who will hold the Series 2020B Bonds as “capital assets” within the meaning of section 1221 of the Internal Revenue Code of 1986, as amended (the “Code”), and acquire such Taxable Bonds for investment and not as a dealer or for resale. Prospective investors should note that no rulings have been or will be sought from the Internal Revenue Service (the “IRS”) with respect to any of the U.S. federal income tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions.

As used herein, “U.S. Holder” means a beneficial owner of a Taxable Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). As used herein, “Non-U.S. Holder” generally means a beneficial owner of a Taxable Bond (other than a partnership) that is not a U.S. Holder. If a partnership holds Taxable Bonds, the tax treatment of such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding Taxable Bonds,

and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the Taxable Bonds (including their status as U.S. Holders or Non-U.S. Holders).

INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS IN DETERMINING THE FEDERAL, STATE, LOCAL, FOREIGN AND ANY OTHER TAX CONSEQUENCES TO THEM FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE TAXABLE BONDS.

U.S. Holders Payments of Stated Interest on the Taxable Bonds

The stated interest paid on the Taxable Bonds will be included in the gross income, as defined in section 61 of the Code, of U.S. Holders and be subject to U.S. federal income taxation when received or accrued, depending on the tax accounting method applicable to the U.S. Holders.

Original Issue Discount

If a substantial amount of the Taxable Bonds of any stated maturity is purchased at original issuance for a purchase price (the "Issue Price") that is less than their face amount by more than one quarter of one percent times the number of complete years to maturity, the Taxable Bonds of such maturity will be treated as being issued with "original issue discount." The amount of the original issue discount will equal the excess of the principal amount payable on such Taxable Bonds at maturity over its Issue Price, and the amount of the original issue discount on the Taxable Bonds will be amortized over the life of the Taxable Bonds using the "constant yield method" provided in the Treasury Regulations. As the original issue discount accrues under the constant yield method, U.S. Holders, regardless of their regular method of accounting, will be required to include such accrued amount in their gross income as interest. This can result in taxable income to U.S. Holders that exceeds actual cash distributions to the U.S. Holders in a taxable year.

The amount of the original issue discount that accrues on the Taxable Bonds each taxable year will be reported annually to the IRS and to the U.S. Holders. The portion of the original issue discount included in each beneficial owner's gross income while the U.S. Holder holds the Taxable Bonds will increase the adjusted tax basis of the Series 2020B Bonds in the hands of such U.S. Holder.

Premium

If a U.S. Holder purchases a Taxable Bond for an amount that is greater than its stated redemption price at maturity, such U.S. Holder will be considered to have purchased the Taxable Bond with "amortizable bond premium" equal in amount to such excess. A U.S. Holder may elect to amortize such premium using a constant yield method over the remaining term of the Taxable Bond and may offset interest otherwise required to be included in respect of the Taxable Bond during any taxable year by the amortized amount of such excess for the taxable year. Bond premium on a Taxable Bond held by a U.S. Holder that does not make such an election will decrease the amount of gain or increase the amount of loss otherwise recognized on the sale, exchange, redemption or retirement of a Taxable Bond. However, if the Taxable Bond may be optionally redeemed after the U.S. Holder acquires it at a price in excess of its stated redemption price at maturity, special rules would apply under the Treasury Regulations which could result in a deferral of the amortization of some bond premium until later in the term of the Taxable Bond. Any election to amortize bond premium applies to all taxable debt instruments held by the U.S. Holder on or after the first day of the first taxable year to which such election applies and may be revoked only with the consent of the IRS.

Medicare Contribution Tax

Pursuant to section 1411 of the Code, as enacted by the Health Care and Education Reconciliation Act of 2010, an additional tax is imposed on individuals beginning January 1, 2013. The additional tax is 3.8% of the lesser of (i) net investment income (defined as gross income from interest, dividends, net gain from disposition of property not used in a trade or business, and certain other listed items of gross income), or (ii) the excess of "modified adjusted gross income" of the individual over \$200,000 for unmarried individuals (\$250,000 for married couples filing a joint return and a surviving spouse). U.S. Holders of the Taxable Bonds should consult with their tax advisor concerning this additional tax, as it may apply to interest earned on the Taxable Bonds as well as gain on the sale of a Taxable Bond.

Disposition of Taxable Bonds and Market Discount

A U.S. Holder will generally recognize gain or loss on the redemption, sale or exchange of a Taxable Bond equal to the difference between the redemption or sales price (exclusive of the amount paid for accrued interest) and the U.S. Holder's adjusted tax basis in the Taxable Bonds. Generally, the U.S. Holder's adjusted tax basis in the Taxable Bonds will be the U.S. Holder's initial cost, increased by the original issue discount previously included in the U.S. Holder's income to the date of disposition. Any gain or loss generally will be capital gain or loss and will be long-term or short-term, depending on the U.S. Holder's holding period for the Taxable Bonds.

Under current law, a purchaser of a Taxable Bond who did not purchase the Taxable Bonds in the initial public offering (a “subsequent purchaser”) generally will be required, on the disposition of the Taxable Bonds, to recognize as ordinary income a portion of the gain, if any, to the extent of the accrued “market discount.” Market discount is the amount by which the price paid for the Taxable Bonds by a subsequent purchaser is less than the sum of Issue Price and the amount of original issue discount previously accrued on the Taxable Bonds. The Code also limits the deductibility of interest incurred by a subsequent purchaser on funds borrowed to acquire Taxable Bonds with market discount. As an alternative to the inclusion of market discount in income upon disposition, a subsequent purchaser may elect to include market discount in income currently as it accrues on all market discount instruments acquired by the subsequent purchaser in that taxable year or thereafter, in which case the interest deferral rule will not apply. The re-characterization of gain as ordinary income on a subsequent disposition of Taxable Bonds could have a material effect on the market value of the Taxable Bonds.

Legal Defeasance

If the Board elects to defease the Taxable Bonds by depositing in escrow sufficient cash and/or obligations to pay when due outstanding Taxable Bonds (a “legal defeasance”), under current tax law, a U.S. Holder may be deemed to have sold or exchanged its Taxable Bonds. In the event of such a legal defeasance, a U.S. Holder generally would recognize gain or loss in the manner described above. Ownership of the Taxable Bonds after a deemed sale or exchange as a result of a legal defeasance may have tax consequences different from those described above, and each U.S. Holder should consult its own tax advisor regarding the consequences to such beneficial owner of a legal defeasance of the Taxable Bonds.

Backup Withholding

Under section 3406 of the Code, a U.S. Holder may, under certain circumstances, be subject to “backup withholding” on payments of current or accrued interest on the Taxable Bonds. This withholding applies if such U.S. Holder: (i) fails to furnish to payor such U.S. Holder’s social security number or other taxpayer identification number (“TIN”); (ii) furnishes the payor an incorrect TIN; (iii) fails to report properly interest, dividends, or other “reportable payments” as defined in the Code; or (iv) under certain circumstances, fails to provide the payor with a certified statement, signed under penalty of perjury, that the TIN provided to the payor is correct and that such U.S. Holder is not subject to backup withholding.

Backup withholding will not apply, however, with respect to payments made to certain U.S. Holders. U.S. Holders should consult their own tax advisors regarding their qualification for exemption from backup withholding and the procedures for obtaining such exemption.

Reporting of Interest Payments

Subject to certain exceptions, interest payments made to beneficial owners with respect to the Taxable Bonds will be reported to the IRS. Such information will be filed each year with the IRS on Form 1099 which will reflect the name, address, and TIN of the beneficial owner. A copy of Form 1099 will be sent to each U.S. Holder for U.S. federal income tax purposes.

Non-U.S. Holders Effectively Connected Income

If, under the Code, interest on the Taxable Bonds is effectively connected with the conduct of a trade or business within the United States by a Non-U.S. Holder, such interest will be subject to U.S. federal income tax in a similar manner as if the Taxable Bonds were held by a U.S. Holder, as described above, and in the case of Non-U.S. Holders that are corporations, interest on the Taxable Bonds also may be included in the computation of earnings and profits that are subject to a U.S. branch profits tax at a rate of up to 30%, unless an applicable tax treaty provides otherwise. Such Non-U.S. Holder will not be subject to withholding taxes, however, if it provides a properly executed Form W-8ECI to the Corporation or its paying agent, if any.

Withholding on Payments to Non-U.S. Holders

Under sections 1441 and 1442 of the Code, Non-U.S. Holders are generally subject to withholding at the rate of 30% on periodic income items arising from sources within the United States, provided such income is not effectively connected with the conduct of a United States trade or business. Assuming the interest received by the Non-U.S. Holders is not treated as effectively connected income within the meaning of section 864 of the Code, such interest will be subject to 30% withholding, or any lower rate specified in an income tax treaty, unless such income is treated as portfolio interest. Interest will be treated as portfolio interest if: (i) the Non-U.S. Holder provides a statement to the payor certifying, under penalties of perjury, that such Non-U.S. Holder is not a United States person and providing the name and address of such Non-U.S. Holder; (ii) such interest is treated as not effectively connected with the Non-U.S. Holder’s United States trade or business; (iii) interest payments are not made to a person within a foreign country which the IRS has included on a list of countries having provisions inadequate to prevent United States tax evasion; (iv) interest payable with respect to the Series 2020B Bonds is not deemed contingent interest within the meaning of the portfolio debt provision; (v) such Non-U.S. Holder is not a controlled foreign corporation, within the meaning of section 957 of the Code; and (vi)

such Non-U.S. Holder is not a bank receiving interest on the Series 2020B Bonds pursuant to a loan agreement entered into in the ordinary course of the bank's trade or business.

Assuming payments on the Taxable Bonds are treated as portfolio interest within the meaning of sections 871 and 881 of the Code, then no backup withholding under sections 1441 and 1442 of the Code and no backup withholding under section 3406 of the Code is required with respect to Non-U.S. Holders or intermediaries who have furnished Form W-8BEN, Form W-8EXP or Form W-8IMY, as applicable, provided the payor does not have actual knowledge that such person is a United States person.

Disposition of the Taxable Bonds

Generally gain realized by a Non-U.S. Holder upon the sale, exchange, redemption, retirement (including pursuant to an offer by the Board or a deemed retirement due to defeasance of the Taxable Bond) or other disposition of a Taxable Bond generally will not be subject to U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States; or (ii) in the case of any gain realized by an individual Non-U.S. Holder, such holder is present in the United States for 183 days or more in the taxable year of such sale, exchange, redemption, retirement (including pursuant to an offer by the Board) or other disposition and certain other conditions are met.

Foreign Account Tax Compliance Act –U.S. Holders and Non-U.S. Holders

Sections 1471 through 1474 of the Code impose a 30% withholding tax on certain types of payments made to a foreign financial institution, unless the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain United States persons or U.S.-owned entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these and other reporting requirements, or unless the foreign financial institution is otherwise exempt from those requirements. In addition, the Foreign Account Tax Compliance Act ("FATCA") imposes a 30% withholding tax on the same types of payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial United States owner. Failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on payments of interest and principal under the Taxable Bonds and sales proceeds of Taxable Bonds held by or through a foreign entity. Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

RATINGS

The Series 2020 Bonds have received underlying ratings from Standard & Poor's Global Ratings, a Standard & Poor's Financial Services LLC business ("S&P") of "BBB" on the Series 2020A Bonds and Series 2020B Bonds and "BBB-" on the Series 2020C Bonds, and "A3" from Moody's Investors Service, Inc. ("Moody's") on the Series 2020A Bonds and Series 2020B Bonds and "Baa1" from Moody's on the Series 2020C Bonds. Additionally, the Series 2020 Bonds are expected to receive insured ratings of "AA" and "A2" from S&P and Moody's, respectively, with the understanding that upon delivery of the Series 2020 Bonds, separate policies guaranteeing the scheduled payment of principal and interest on the Series 2020 Bonds when due will be issued by the 2020 Insurer.

These ratings reflect only the views of such organizations, and an explanation of the significance of such ratings may be obtained only from the rating agency furnishing such rating. There is no assurance that such ratings will be maintained for any given period of time or that such ratings will not be revised downward, suspended or withdrawn entirely by such rating agencies, if in their sole judgment, circumstances so warrant. Any such downward revision, suspension or withdrawal of such ratings may have an adverse effect on the market price of the Series 2020 Bonds. The Sports Authority has no obligation to maintain the ratings or to oppose any revisions or withdrawals. See "INVESTMENT CONSIDERATIONS — Bond Insurance" and "Ratings." See also, "BOND INSURANCE" for information regarding the bond insurance policies described above.

FINANCIAL ADVISOR

The Sports Authority has retained Masterson Advisors LLC, Houston, Texas, to serve as its financial advisor in connection with the issuance of the Series 2020 Bonds (the "Financial Advisor"). The Financial Advisor has not independently verified any of the information contained in this Official Statement and makes no guarantee as to its completeness or accuracy. A substantial portion of the Financial Advisor's fees for services rendered with respect to the sale of the Series 2020 Bonds is contingent upon the issuance and delivery of the Series 2020 Bonds. The Sports Authority may engage the Financial Advisor to perform other services. Masterson Advisors LLC serves as Computation Agent under the Indenture.

CONTINUING DISCLOSURE

In the Twenty-Eighth Supplemental Indenture, the Twenty-Ninth Supplemental Indenture and the Thirtieth Supplemental Indenture, the Sports Authority has made the following agreement for the benefit of the holders and beneficial owners of the

respective series of the Series 2020 Bonds. The Sports Authority is required to observe the agreement for so long as it remains obligated to advance funds to pay the respective series of the Series 2020 Bonds. Under the agreement, the Sports Authority will be obligated to provide certain updated financial information and operating data annually, and notice of specified events, to the Municipal Securities Rulemaking Board (“MSRB”). This information will be available to the public at no charge using the MSRB’s Electronic Municipal Market Access (“EMMA”) system via the MSRB’s internet website, www.emma.msrb.org.

Annual Reports

The Sports Authority will provide certain updated financial information and operating data to the MSRB annually in an electronic format as prescribed by the MSRB. The information to be updated includes all quantitative financial information and operating data with respect to the Sports Authority of the general type included in this Official Statement, as follows: (1) “DESCRIPTION OF PLEDGED REVENUES — Schedule 2 — Historical Revenues,” (2) “DESCRIPTION OF PLEDGED REVENUES — Schedule 3 — Top Ten HOT Taxpayers for Fiscal Year 2019,” (3) “SPORTS AUTHORITY DEBT SERVICE SCHEDULE,” (4) “MANAGEMENT AND ORGANIZATION OF SPORTS AUTHORITY — Schedule 4 — Sports Authority 2020 Budget,” and (5) in APPENDIX B. The Sports Authority will update and provide this information to the MSRB within six months after the end of each fiscal year.

The financial information and operating data to be provided may be set forth in full in one or more documents or may be included by specific reference to any document available from the MSRB or filed with the SEC, or may be provided in any other manner consistent with Securities and Exchange Commission Rule 15c2-12 (the “Rule”). Any financial statements so to be provided shall be (1) prepared in accordance with generally accepted accounting principles currently in effect for governmental units as prescribed by the Government Accounting Standards Board, which principles are subject to change from time to time to comply with state law or regulation, and (2) audited. If audited financial statements for the Sports Authority are not available within such period, then the Sports Authority will provide unaudited financial statements for the applicable fiscal year to the MSRB, and audited financial statements, when and if audited financial statements become available.”

The Sports Authority’s current fiscal year end is December 31. Accordingly, it must provide updated information by June 30 in each year, unless the Sports Authority changes its fiscal year. If the Sports Authority changes its fiscal year, it will notify the MSRB of the change.

Event Notices

The Sports Authority will notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Series 2020 Bonds:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2020A Bonds or other material events affecting the tax status of the Series 2020A Bonds;
7. modifications to rights of the holders of the Series 2020A Bonds, the Series 2020B Bonds or Series 2020C Bonds, if material;
8. bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution, or sale of property securing repayment of the Series 2020A Bonds, the Series 2020B Bonds or the Series 2020C Bonds, if material;
11. rating changes;
12. bankruptcy, insolvency, receivership or similar event of the Sports Authority;

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

14. appointment of successor or additional Trustee or the change of name of a Trustee, if material;

15. incurrence of a Financial Obligation of the Sports Authority, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Sports Authority, any of which affect security holders, if material; and

16. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Sports Authority, any of which reflect financial difficulties.

For these purposes, (1) any event identified in paragraph 12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Sports Authority in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Sports Authority, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Sports Authority, and (2) the Sports Authority intends the words used in clauses (15) and (16) and the definition of Financial Obligation to have the meanings ascribed to them in SEC Release No. 34-83885 dated August 20, 2018.

In addition, the Sports Authority will provide timely notice to the MSRB of any failure by the Sports Authority to provide information, data, or financial statements in accordance with its agreement described above under “CONTINUING DISCLOSURE OF INFORMATION — Annual Reports.” All documents provided to the MSRB will be in an electronic format as required by the MSRB or the SEC, and will be accompanied by identifying information as required by the MSRB or the SEC.

Limitations and Amendments

The Sports Authority has agreed to update information and to provide notices of specified events only as described above. The Sports Authority has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results, condition or prospects or agreed to update any information that is provided, except as described above. The Sports Authority makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Series 2020 Bonds at any future date. The Sports Authority disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement, although holders of Series 2020A Bonds, Series 2020B Bonds or Series 2020C Bonds, respectively, may seek a writ of mandamus to compel the Sports Authority to comply with its agreement.

The Sports Authority may amend its continuing disclosure agreement 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 or businesses of the Sports Authority, if the agreement, as amended, would have permitted an underwriter to purchase or sell Series 2020A Bonds, Series 2020B Bonds or Series 2020C Bonds, respectively, in the offering made hereby 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 (i) the Owners of a majority in aggregate principal amount of the outstanding Series 2020A Bonds, Series 2020B Bonds or Series 2020C Bonds, respectively, consent, or (ii) a person that is unaffiliated with the Sports Authority (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the Owners and beneficial owners of the Series 2020A Bonds, Series 2020B Bonds or the Series 2020C Bonds, respectively consent to such amendment. The Sports Authority may also repeal or amend the provisions of its continuing disclosure agreement 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, and the Sports Authority also may amend the provisions of its continuing disclosure agreement in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Series 2020A Bonds, Series 2020B Bonds or Series 2020C Bonds, respectively, in the primary offering thereof. If the Sports Authority so amend its continuing disclosure agreement, the Sports Authority will include with any amended financial information or operating data next provided in accordance with its agreement described above in “Annual Reports” 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.

UNDERWRITING

Wells Fargo Bank, National Association, as representative of the Underwriters of the Series 2020 Bonds, has agreed to purchase the Series 2020A Bonds, Series 2020B Bonds and Series 2020C Bonds from the Sports Authority at an underwriting

discount of \$302,420.41, \$200,053.08 and \$170,455.57. respectively, from the respective initial public offering prices therefor set forth on pages i and ii hereof. The Underwriters will be obligated to purchase all of the Series 2020A Bonds, Series 2020B Bonds and Series 2020C Bonds, as applicable, if any of such respective obligations are purchased.

Wells Fargo Bank, National Association (“WFBNA”) is serving as underwriter for the 2020A Bonds and dealer manager in connection with a tender offer for the Subject Bonds that will be funded with the proceeds of the 2020A Bonds. WFBNA will be compensated separately for serving in each capacity from the proceeds of the 2020A Bonds. WFBNA will be paid a dealer manager fee of \$92,681.63.

The obligation of the Underwriters to purchase any series of the Series 2020 Bonds from the Sports Authority is subject to certain customary conditions to delivery, including the sale and purchase of the other two series of the Series 2020 Bonds to and by the Underwriters. The Series 2020 Bonds may be offered and sold to certain dealers and others at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriters. The Underwriters may, from time to time, perform additional services to the Sports Authority for additional compensation.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Finance Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association, acting through its Municipal Finance Group (“WFBNA”), the lead underwriter of the Bonds, has entered into an agreement (the “WFA Distribution Agreement”) with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name “Wells Fargo Advisors”) (“WFA”), for the distribution of certain municipal securities offerings, including the Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Bonds with WFA. WFBNA has also entered into an agreement (the “WFSLLC Distribution Agreement”) with its affiliate Wells Fargo Securities, LLC (“WFSLLC”), for the distribution of municipal securities offerings, including the Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC’s expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

Morgan Stanley, parent company of Morgan Stanley & Co. LLC., an underwriter of the Series 2020 Bonds, has entered into a retail distribution arrangement with its affiliate Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Series 2020 Bonds.

VERIFICATION OF MATHEMATICAL ACCURACY

Samuel Klein and Company, independent certified public accountants, in conjunction with Public Finance Partners LLC, (together, the Verification Agent”) will deliver to the Sports Authority, on or before the settlement date of the Series 2020 Bonds, its verification report indicating that it has verified the mathematical accuracy of (a) the mathematical computations of the adequacy of the cash and the maturing principal of and interest on the Government Obligations, to pay, when due, the maturing principal of, and interest on, of the Refunded Obligations and (b) the mathematical computations of yield used by Co-Bond Counsel to support its opinion that interest on the Series 2020 Bonds will be excluded from gross income for federal income tax purposes.

Samuel Klein and Company, CPA’s and Public Finance Partners LLC relied on the accuracy, completeness and reliability of all information provided by, and on all decisions and approvals of, the Sports Authority. In addition, Samuel Klein and Company, CPA’s and Public Finance Partners LLC have relied on any information provided by the Sports Authority’s retained advisors, consultants or legal counsel. “

MISCELLANEOUS

General descriptions of certain provisions of the Series 2020 Bonds, the Indenture, and other related documents are included in this Official Statement. Such summaries, descriptions and information do not purport to be comprehensive or definitive. All references herein to such documents are qualified in their entirety by reference to such document, copies of which are available from the Sports Authority upon request and payment of reproduction costs.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

Schedule I -Refunded Obligations and Tendered Bonds

Bonds Purchased with Series 2020A Bonds (Tendered Bonds)

<u>Bond</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>CUSIP No.</u>
Sr Lien Revenue Refunding Bonds, Series 2001A	11/15/2021	5.88%	\$ 120,443.40	413893CG1
	11/15/2038	6.24%	66,406.90	413893CL0
	11/15/2040	6.25%	202,354.00	413893CM8
<u>Bond</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>CUSIP No.</u>
Sr Lien Revenue Refunding Bonds, Series 2014A	11/15/2021	5.00%	\$ 12,995,000	413890CV4
	11/15/2022	5.00%	11,635,000	413890CW2
	11/15/2023	5.00%	11,690,000	413890CX0
<u>Bond</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>CUSIP No.</u>
Second Lien Revenue Refunding Bonds, Series 2014C	11/15/2021	5.00%	\$ 1,940,000	413890DW1
	11/15/2022	5.00%	1,675,000	413890DX9

2020B Senior Lien Refunded Bonds

<u>Bond</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>CUSIP No.</u>
Sr Lien Revenue Refunding Bonds, Series 2014A	11/15/2021	5.00%	\$ 3,300,000	413890CV4
	11/15/2022	5.00%	5,000,000	413890CW2
<u>Interest</u>	<u>Interest Date</u>		<u>Interest Amount</u>	
Sr Lien Revenue Refunding Bonds, Series 2014A	05/15/2021		\$ 6,461,875	
	11/15/2021		6,461,875	
	05/15/2022		6,461,875	

2020C Second Lien Refunded Bonds

<u>Bond</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>CUSIP No.</u>
Sr Lien Revenue Refunding Bonds, Series 2001A	11/15/2021	5.88%	\$ 1,215,106.20	413893CG1
<u>Bond</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>CUSIP No.</u>
Sr Lien Revenue Refunding Bonds, Series 2014A	11/15/2021	5.00%	\$ 2,065,000	413890CV4
	11/15/2022	5.00%	4,600,000	413890CW2
<u>Bond</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>CUSIP No.</u>
Second Lien Revenue Refunding Bonds, Series 2014C	11/15/2021	5.00%	\$ 1,150,000	413890DW1
	11/15/2022	5.00%	1,570,000	413890DX9
<u>Interest</u>	<u>Interest Date</u>		<u>Interest Amount</u>	
Second Lien Revenue Refunding Bonds, Series 2014C	05/15/2021		\$ 1,355,875	
	11/15/2021		1,355,875	
	05/15/2022		1,355,875	
	11/15/2022		1,355,875	

APPENDIX E
FORMS OF CO-BOND COUNSEL OPINIONS

APPENDIX F

SPECIMEN OF BOND INSURANCE POLICY



MUNICIPAL BOND INSURANCE POLICY

ISSUER:

BONDS: \$ in aggregate principal amount of

Policy No: -N

Effective Date:

Premium: \$

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AGM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the

United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By _____ Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.
1633 Broadway, New York, N.Y. 10019
(212) 974-0100

APPENDIX G

BOOK-ENTRY ONLY SYSTEM

This Appendix G describes how ownership of the Series 2020 Bonds is to be transferred and how the principal of premium, if any, and interest on the Series 2020 Bonds are to be paid to and credited by The Depository Trust Company, New York, New York (“DTC”) while the Series 2020 Bonds are registered in its nominee name. The information in this Appendix G concerning DTC and the book-entry-only system has been provided by DTC for use in disclosure documents such as this Official Statement. The Sports Authority, the Financial Advisor and the Underwriters believe the source of such information to be reliable, but none of the Sports Authority, the Financial Advisor nor the Underwriters take any responsibility for the accuracy or completeness thereof and such information is not to be construed as a representation by any of the Sports Authority, the Financial Advisor or the Underwriters.

The Sports Authority and the Underwriters cannot and do not give any assurance that (i) DTC will distribute payments of debt service on the Series 2020 Bonds, or redemption or other notices, to DTC Participants, (ii) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Series 2020 Bonds), 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 the Official Statement. The current rules applicable to DTC are on file with the SEC, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC. Termination of the DTC book-entry-only system by the Sports Authority may require consent of the Participants under DTC Operational Arrangements.

DTC will act as securities depository for the Series 2020 Bonds. The Series 2020 Bonds 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 Series 2020 Bond will be issued for each maturity of each series of the Series 2020 Bonds, as set forth on pages i and ii hereof, in the aggregate principal amount of 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 Series 2020 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2020 Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series 2020 Obligation (“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 Series 2020 Bonds 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 Series 2020 Bonds, except in the event that use of the book-entry system for the Series 2020 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2020 Bonds 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 Series 2020 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2020 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2020 Bonds 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 the Series 2020 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2020 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2020 Bonds documents. For example, Beneficial Owners of the Series 2020 Bonds may wish to ascertain that the nominee holding the Series 2020 Bonds 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 Trustee and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2020 Bonds 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.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2020 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Sports Authority 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 the Series 2020 Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

All payments on the Series 2020 Bonds 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 Sports Authority or the Trustee 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 nor its nominee, the Trustee, or the Sports Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. All payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) are the responsibility of the Sports Authority or the Trustee, 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 Series 2020 Bonds at any time by giving reasonable notice to the Sports Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series 2020 Bonds certificates are required to be printed and delivered.

The Sports Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2020 Bonds will be printed and delivered to DTC.

EXHIBIT F
REIMBURSEMENT AGREEMENT
(see Tab 32)

REIMBURSEMENT AND INDEMNITY AGREEMENT BY AND BETWEEN

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

AND

ASSURED GUARANTY MUNICIPAL CORP.

REGARDING

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

\$52,035,000 SENIOR LIEN REVENUE REFUNDING BONDS, SERIES 2020A

\$34,265,000 TAXABLE SENIOR LIEN REVENUE REFUNDING BONDS, SERIES 2020B

\$25,865,000 TAXABLE SECOND LIEN REVENUE REFUNDING BONDS, SERIES 2020C

Dated as of October 1, 2020

REIMBURSEMENT AND INDEMNITY AGREEMENT

This Reimbursement and Indemnity Agreement (this "Agreement"), dated as of October 1, 2020, by and between the HARRIS COUNTY-HOUSTON SPORTS AUTHORITY (the "Issuer"), and ASSURED GUARANTY MUNICIPAL CORP., a stock insurance corporation, duly organized and existing under the laws of the State of New York ("AGM"). Capitalized terms not otherwise defined shall have the meanings ascribed thereto in Article I of this Agreement;

RECITALS:

WHEREAS, the Issuer, a political subdivision organized under and existing by virtue of Chapter 334 and 335 of the Texas Local Government Code, as amended (the "Act") has agreed to issue (or previously issued, as applicable) its \$52,035,000 Senior Lien Revenue Refunding Bonds, Series 2020A (the "Series 2020A Bonds"), its \$34,265,000 Taxable Senior Lien Revenue Refunding Bonds, Series 2020B (together with the Series 2020A Bonds, the "Senior Lien Bonds"), and its \$25,865,000 Taxable Second Lien Revenue Refunding Bonds (collectively, the "Bonds"), pursuant to the Fourth Amended and Restated Indenture of Trust originally dated as of August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014 (collectively, the "Indenture"), by and between the Issuer and UMB Bank, National Association, a national banking association, and as amended and supplemented by various Supplemental Indentures thereto (as defined in the Indenture) (collectively, the "Supplemental Indentures");

WHEREAS, the Bonds are to be payable, in part, from payments consisting of principal and interest to be made by the Issuer pursuant to the Indenture;

WHEREAS, AGM has agreed to deliver to the Trustee its (a) financial guaranty insurance policies, guaranteeing the scheduled principal and interest payments on the Bonds and (b) municipal bond debt service reserve policies, which shall constitute a source of payment for principal and interest payments on the Senior Lien Bonds (collectively, the "Policies"), each without regard to any acceleration of the time of payment of the Bonds as further provided therein;

WHEREAS, this Agreement is entered into in order to set forth certain representations, warranties, covenants and other agreements of the Issuer and to evidence and secure the Issuer's obligation (a) to reimburse AGM for any payment made by AGM under its Policies, and (b) to the extent permitted by applicable law, to indemnify AGM for certain amounts as more fully set forth herein; and

In consideration of the premises and the mutual promises set forth below, AGM and the Issuer agree as follows:

ARTICLE I **DEFINITIONS**

Unless the context otherwise requires, the terms defined in this Article I shall, for all purposes of this Agreement, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

"Actions and Proceedings" means any lawsuit, proceeding, arbitration or other alternative dispute resolution process, Governmental Authority investigation, hearing, audit, appeal, administrative proceeding or judicial proceeding.

"Authorized Officer" with respect to the Issuer, means the Chair or Vice Chair of the Board of Directors of the Issuer.

"Bonds" means, collectively, the Issuer's \$52,035,000 Senior Lien Revenue Refunding Bonds, Series 2020A, its \$34,265,000 Taxable Senior Lien Revenue Refunding Bonds, Series 2020B, and its \$25,865,000 Taxable Second Lien Revenue Refunding Bonds, Series 2020C.

"Business Day" means any day other than (a) a Saturday and Sunday, or (b) a day on which the Trustee, any Tender Agent, the Remarketing Agent, AGM or banks and trust companies in New York, New York are authorized or required to be closed, exclusive of any day on which the New York Stock Exchange is closed.

"City" means the City of Houston, Harris County, Texas, a Texas municipal corporation and Home Rule City.

"County" means Harris County, Texas, a body corporate and politic under the laws of the State of Texas.

"Governmental Authority" means any federal, state, local or foreign governmental entity, authority or agency, court, tribunal, regulatory commission or other body, whether legislative, judicial or executive (or a combination or permutation thereof), and any arbitrator to whom a dispute has been presented under Government Rule or by agreement of the parties with an interest in such dispute.

"Governmental Rule" means any statute, law, treaty, rule, code, ordinance, regulation, permit, interpretation, certificate or order of any Governmental Authority or any judgment, decision, decree, injunction, writ, order or like action of any court, arbitrator or other Governmental Authority.

"Indenture" means, collectively, the Fourth Amended and Restated Indenture of Trust originally dated as of August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014, by and between the Issuer and UMB Bank, National Association, a national banking association, and as amended and supplemented by various Supplemental Indentures thereto (as defined in the Indenture).

"Issuer" means the Harris County-Houston Sports Authority, a sports and community venue district created under Chapter 334 and 335 of the Texas Local Government Code.

"AGM" means Assured Guaranty Municipal Corp., a New York stock insurance corporation.

"AGM Commitment" means, collectively, the AGM Commitments dated September 3, 2020, relating to the delivery of the Policies.

"Policies" means, collectively, the AGM financial guaranty insurance policies, guaranteeing the scheduled principal and interest payments on the Bonds and the municipal bond debt service reserve policies, which shall constitute a source of payment for principal and interest payments on the Senior Lien Bonds, each without regard to any acceleration of the time of payment of the Bonds as further provided therein.

"Related Documents" means, collectively, the Bonds, the Indenture, the Policies, this Agreement and any other agreement or instrument relating hereto or thereto except the Policies.

"Trustee" means UMB Bank, National Association, a national banking association, and its successor or successors and any other person which may at any time be substituted in its place pursuant to the Indenture.

ARTICLE II
REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE ISSUER

The Issuer represents and warrants to, and covenants with, AGM that:

(a) the Issuer is a political subdivision organized under and existing by virtue of the laws of the State of Texas;

(b) the Issuer has the full power and authority (corporate and other) to execute and deliver this Agreement and to enter into the transactions contemplated by this Agreement and the Related Documents. The execution and delivery of this Agreement and each of the Related Documents has been duly authorized by the Issuer, and all necessary approvals for the execution, delivery and performance of this Agreement and the Related Documents have been obtained;

(c) the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of or compliance with the terms and conditions of this Agreement by the Issuer do not conflict with or result in any material breach or violation of any of the terms, conditions or provisions of any applicable laws, including regulations, or any material agreement or instrument to which the Issuer is now a party or by which it is bound, or constitutes a default under any of the foregoing which default would materially and adversely affect the consummation of the transactions contemplated hereby and by the terms of the Related Documents;

(d) the Issuer shall provide or cause to be provided to AGM at or prior to the disbursement of the proceeds of the Bonds by the Issuer (i) conformed copies of this Agreement and the Related Documents, and (ii) such opinions of legal counsel and certified resolutions of the Issuer evidencing necessary or appropriate corporate action by the Issuer, and other documents as may reasonably be requested by AGM, including documents evidencing any required approvals of the transactions contemplated by the this Agreement and the Related Documents;

(e) the Issuer hereby makes to AGM the same representations, warranties and the same covenants made by or with respect to the Issuer, as are set forth in the Related Documents which representations, warranties and covenants, as well as the related defined terms contained therein, are incorporated herein by this reference with the same effect as if each and every such representation, warranty and covenant and defined term were set forth herein in its entirety. Any amendment to such representations, warranties and covenants or defined terms in the Related Documents and any termination, defeasance, discharge or replacement of the Related Documents shall be effective to amend, terminate, replace or discharge such representations, warranties, covenants and defined terms of the specified documents if adopted in accordance with their respective requirements, but shall not be effective to amend this Agreement, without the prior written consent of AGM;

(f) the Issuer will deliver to AGM:

(i) as soon as available, and in any event within 180 days after the close of each fiscal year of the Issuer, two copies of the complete statement of financial position, statement of operations, and statement of cash flows of the Issuer, including the balance sheet as of the end of such fiscal year and the related statement of operations, statement of changes in net assets and statement of cash flows, all in reasonable detail and accompanied by an independent auditor's report stating that (a) its audit was in accordance with generally accepted auditing standards and (b) the financial statements present fairly (in all material respects) the financial position of the Issuer as of the end of such fiscal year.

(ii) as soon as available, and in any event within 45 days after each of the first three fiscal quarters of each fiscal year of the Issuer, two copies of the Issuer's statement of financial position and statement of operations.

(iii) simultaneously with the delivery of each set of financial statements referred to in clauses (i) and (ii) above, a certificate of an Authorized Officer stating that after due inquiry there does not exist on the date of such certificate any event of default or event which with notice or lapse of time or both would constitute an event of default of which the Issuer is aware or, if any event of default does exist, stating that such event exists and setting forth the details thereof and the action that the Issuer is taking or proposes to take with respect thereto.

(iv) within 180 days of the end of the fiscal year, the Issuer shall provide to the Insurer its audited annual financial statement showing a break out of all Available Revenues (as defined in the Indenture) by line item as appropriate (e.g. Hotel Occupancy Taxes, Motor Vehicle Rental Taxes, parking taxes, ticket taxes, etc.) as well as respective reserve funds, as defined in the Indenture, relating to any series of Bonds which is supported at least in part by revenues reported in the annual financial statement which is provided.

(v) simultaneously with the delivery of the certificate described in clause (iii) above, the Issuer shall deliver to the Insurer a certificate providing verification of debt service coverage on each series of Bonds showing the respective pledged revenues with supporting calculations;

(g) the Issuer agrees to permit AGM to examine, visit and inspect, at any reasonable time, upon reasonable notice, the property constituting the projects financed or refinanced with the net proceeds of the Bonds, and the Issuer's facilities, and any accounts, books and records, including their receipts, disbursements, contracts, investments and any other matters relating thereto and to their financial standing and to supply such reports and information as AGM may reasonably require. The Issuer further agrees to promptly notify AGM in writing of the happening of any event resulting in the loss of its tax-exempt status or placing the same in jeopardy;

(h) the Issuer's chief financial officer shall, at the reasonable request of AGM, discuss the Issuer's financial matters with AGM or a designee and provide AGM with copies of any documents (other than documents the confidentiality of which is protected by law or professional codes of ethics) that are reasonably requested by AGM or a designee and have a material financial effect on the Issuer;

(i) pursuant to Section 1371 of the Texas Government Code, the Issuer unconditionally and irrevocably: (i) agrees that this Agreement is a credit agreement and/or obligation subject to Chapter 1371 of the Texas Government Code; (ii) agrees that should any Actions or Proceedings be brought against it or its assets in relation to this Agreement or the Indenture or any transaction contemplated thereunder, no immunity (sovereign, governmental or otherwise) from such Actions or Proceedings (which shall be deemed to include, without limitation, suit, attachment prior to judgment, other attachment, the obtaining of judgment execution or other enforcement) shall be claimed by or on behalf of itself or with respect to its assets; (iii) waives any such right of immunity (sovereign, governmental or otherwise) which it or its assets now has or may acquire in the future and specifically agrees that by entering into this Agreement and the Indenture it has waived its immunity pursuant to Section 1371.059(c) of the Texas Government Code; and (iv) consents to the enforcement of any arbitral award or judgment against it in any such proceedings to which it is a party and to the giving of any relief or the issue of any process in connection with any such proceedings; and

(j) so long as AGM remains a Designated Credit Provider (as defined in the Indenture), in the event the Issuer shall enter into any insurance agreement, credit agreement or other agreement or instrument (or any amendment or supplement thereto) (collectively, the "Other Agreement"), with any insurer, lender or other creditor (the "Other Creditor"), under which the Issuer (i) agrees to provide the Other Creditor with rights to information or monitoring of the Issuer's operations or financial results that are greater than the corresponding rights enjoyed by AGM, or (ii) provides such Other Creditor with one or more financial covenants not then extended to AGM, the Issuer shall provide AGM with a copy of such Other Agreement and such rights and/or financial covenants shall automatically be deemed to be incorporated into this Agreement and AGM shall have the benefit of such rights and/or financial covenants as if specifically set forth herein. Upon the request of AGM, the Issuer shall promptly enter into an amendment to this Agreement to include such rights and financial covenants, provided that AGM shall have and maintain the benefit of such rights and financial covenants if the Issuer shall fail to provide such amendment.

For the avoidance of doubt, the issuance of bonds pursuant to the Indenture that are secured by a lien on the Trust Estate senior to the lien securing any particular bonds for which AGM is the Designated Credit Provider under the Indenture shall not, in and of itself, result in additional rights or benefits for AGM, as such Designated Credit Provider, pursuant to this paragraph (j).

ARTICLE III **AGREEMENT TO INDEMNIFY**

To the extent permitted by applicable law, the Issuer shall indemnify AGM against any and all liability, claims, loss, costs, damages, fees of attorneys and other expenses which AGM may sustain or incur by reason of or in consequence of:

(a) the failure of the Issuer to perform or comply with the covenants or conditions of this Agreement or the Related Documents;

(b) enforcing any covenants or conditions of the Bonds, the Related Documents or this Agreement, including, but not limited to, sums paid, liabilities incurred or expenses paid or Incurred in connection with:

(i) settlement of claims, suits or judgments under any Policies,

(ii) enforcing the terms of any Policies,

(iii) procuring or attempting to procure release from liability, or

(iv) recovering or attempting to recover losses or expenses paid or incurred in connection with the Bonds, the Related Documents, this Agreement, the Policies or the transactions contemplated hereby and thereby; or

(c) reliance by AGM upon representations made by the Issuer regarding defenses to claims made against the Policies.

Costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of AGM spent in connection with the actions described in clause (b) above, and AGM reserves the right to charge a reasonable fee as a condition to executing any waiver or consent proposed in respect of any of the Related Documents.

An itemized statement of payments made by AGM for any of the purposes specified in this Article in, certified by an officer of AGM and accompanied by the voucher or vouchers for such payment, shall be prima facie evidence of the liability of the Issuer and, if the Issuer fails to reimburse AGM within two business days of receipt of such statement of payments, interest shall be computed on such amount from the date of the payment made by AGM at the rate set out in Article IV, clause (d) hereof.

The foregoing notwithstanding, nothing in this Article III shall be construed to obligate the Issuer to indemnify AGM against any liability, claims, loss, costs, damages, fees of attorneys, or other expenses to the extent any such liabilities, claims, losses, costs, damages, fees, or expenses are caused by, or are the result of, AGM's negligence or willful misconduct.

ARTICLE IV **REIMBURSEMENT RIGHTS OF AGM**

The Issuer agrees to make the following payments to AGM:

(a) the premiums as required to be paid pursuant to the AGM Commitment to the extent such payment is not otherwise timely made;

- (b) the reimbursement of all payments made by AGM under the terms of the Policies;
- (c) all other amounts required to be paid to AGM pursuant to the terms of this Agreement or in connection with the transactions contemplated by the Bonds, the Related Documents, this Agreement and the Policies upon written notice from AGM of the amounts so owed; and
- (d) interest on the amounts owed in clauses (a), (b), or (c) of this Article IV from the date of any payment due or paid as described in clauses (a) or (b) and from the date of receipt of written notice from AGM, as provided in clause (c), as further provided in the Indenture.

ARTICLE V

SUBROGATION RIGHTS OF AGM

To the extent of payments made and expenses incurred by AGM in connection with the Policies and this Agreement, AGM shall be fully subrogated to the Issuer's rights under the Related Documents to which the Issuer is a party, but shall not be obligated to assume (but has the right to assume) any of the Issuer's obligations, in respect of such documents. The Issuer will at any time, and from time to time at the request of AGM, execute any instrument, document or agreement, and take any other action, that AGM may consider necessary or desirable to effect this right of subrogation. Nothing herein shall be construed to place AGM in a security position superior to that of the Bondholders.

ARTICLE VI

EVENTS OF DEFAULT

Section 6.01. Events of Default Described. The happening of any one or more of the following events shall constitute an "*Event of Default*" and, upon the occurrence of any such Event of Default, AGM may exercise the remedies specified herein:

- (a) failure by the Issuer to make any payment required by Article IV hereof;
- (b) any proceeding shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of adjusting the claims of creditors pursuant to any federal or state statute now or hereafter enacted;
- (c) any representation of or warranty by the Issuer made in this Agreement or the Related Documents is untrue in any material respect;
- (d) except as otherwise provided in Section 6.01(a) above, the failure of the Issuer to observe or perform in any material respect any covenant, condition or provision of this Agreement, if such failure shall not have been remedied or cured within 30 days after the Issuer's receipt of written notice thereof by AGM;
- (e) the occurrence and continuation of an event of default (however defined but excluding any event described in subparagraphs (a), (b), (c) or (g) of this Section 6.01) under any of the Related Documents, if such event of default shall not have been cured or otherwise remedied within 30 days after the Issuer's receipt of written notice thereof by AGM;
- (f) any material amendment to a Related Document shall have been made without the prior written consent of AGM; or
- (g) any material provision of this Agreement or the Related Documents to which the Issuer is a party shall at any time for any reason cease to be valid and binding, unless by their terms they cease to be valid and binding, on the Issuer or shall be declared to be null and void, or the validity or enforceability of any thereof shall be contested by the Issuer or any governmental agency or authority, or if the Issuer

shall deny that it has any further liability or obligation under this Agreement or the Related Documents to which it is a party.

Section 6.02. Remedies. Whenever an Event of Default referred to in Section 6.01 hereof shall have happened and be continuing, AGM may take any one or more of the following remedial steps:

- (a) exercise its rights of subrogation pursuant to Article V hereof;
- (b) exercise any rights of subrogation it may have under the Policies;
- (c) in its sole discretion, notify the Trustee of such occurrence and the nature of such occurrence and by written notice direct the Trustee to enforce the Issuer's obligations under the Indenture;
- (d) take whatever other action at law or in equity as may appear necessary or desirable to collect the amounts then due and thereafter to become due under this Agreement or to enforce performance and observance of any obligation, agreement or covenant of the Issuer under this Agreement; or
- (e) pursue any remedy it may have under any of the Related Documents.

Section 6.03. No Remedy Exclusive. Unless otherwise expressly provided, no remedy herein conferred upon or reserved is intended to be exclusive of any other available remedy, but each remedy shall be cumulative and shall be in addition to other remedies given under this Agreement or existing at law or in equity. No delay or omission to exercise any right or power accruing under this Agreement upon the happening of any Event of Default set forth in Section 6.01 hereof shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle AGM to exercise any remedy reserved to it in this Article VI, it shall not be necessary to give any notice, other than such notice as may be required in this Article VI.

ARTICLE VII **SETTLEMENT**

AGM shall have the exclusive right to decide and determine whether any claim, liability, suit or judgment made or brought on the Policies shall or shall not be paid, compromised, resisted, defended, tried or appealed, and AGM's decision thereon, if made in good faith, shall be final and binding upon the Issuer.

ARTICLE VIII **OBLIGATIONS OF THE ISSUER ABSOLUTE**

The obligations of the Issuer to make payments under this Agreement shall be absolute, unconditional and irrevocable and shall be paid strictly in accordance with the terms of this Agreement under all circumstances whatsoever, including, without limitation, the following circumstances:

- (a) any lack of validity or enforceability of any of the Related Documents;
- (b) any amendment or waiver of or any consent to departure from all or any of the Related Documents;
- (c) the existence of any claim, setoff defense or other right which the Issuer may have at any time against the Trustee, the City, the County, or any other person or entity other than AGM, whether in connection with this Agreement, the transactions contemplated herein or in the Related Documents or any unrelated transactions;

(d) any statement or any other document presented under or in connection with the Policies or the AGM Commitment proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect whatsoever; or

(e) payment by AGM under the Policies under circumstances which do not comply with the terms of the Policies, provided that such payment shall not have constituted negligence or willful misconduct on the part of AGM.

ARTICLE IX MISCELLANEOUS PROVISIONS

Section 9.01. Amendments, Changes and Modifications. This Agreement may be amended, changed, modified, altered or terminated only with the prior written approval of AGM and the Issuer.

Section 9.02. Boycott Verification. AGM hereby verifies that AGM does not boycott Israel and will not boycott Israel through the term of this Commitment. For purposes of this paragraph 8, (i) "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; and (ii) "AGM" means AGM and any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of AGM.

Section 9.03. Iran, Sudan, and Foreign Terrorist Organizations. AGM hereby verifies that as of the Closing Date, AGM (i) does not engage in business with Iran, Sudan or any foreign terrorist organization as described in Subchapter F of Chapter 2252 of the Texas Government Code, and (ii) is not a company listed by the Texas Comptroller under Sections 2270.021 or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" as used in this paragraph 9 has the meaning assigned to such term in section 2252.151 of the Texas Government Code. For purposes of this paragraph 9, "AGM" means AGM and any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of AGM.

Section 9.04. From 1295. In accordance with Texas Government Code, Section 2252.908, AGM represents and warrants that at the time of execution of this Purchase Agreement, it is a publicly traded business entity, or a wholly owned subsidiary of a publicly traded business entity.

Section 9.05. Governing Law. This Agreement shall be construed in accordance with the substantive laws of the State of Texas, and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws.

Section 9.06. Notices. All notices hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by certified or registered mail, postage prepaid, return receipt requested, addressed as follows:

AGM:	Assured Guaranty Municipal Corp. Attention: Managing Director – Surveillance, Re: Policy Nos. 220594-N, 220594-R, 220596-N, 220596-R, 220595-N 31 W. 52 ND Street New York, New York 10019 Telephone: (212) 974-0100 Telecopier: (212) 339-3556
------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

(In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also

be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED.")

Issuer: Harris County-Houston Sports Authority
Suite 750
1001 Fannin Street
Houston, Texas 77002
Attention: Chair
Telephone: (713) 524-4676
Facsimile: (713) 524-7213

Either party may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 9.07. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 9.08. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

Section 9.09. Primary Obligation. Payment of amounts due by the Issuer under this Agreement is a primary obligation of the Issuer and such obligation is absolute and unconditional, irrespective of any illegality, invalidity or unenforceability of or defect in any provision of the Bonds or of any obligations of the Issuer.

Section 9.10. Further Assurances and Corrective Instruments. To the extent permitted by law, AGM and the Issuer agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the intention of or facilitating the performance of this Agreement.

Section 9.11. No Rights Conferred on Others. Nothing in this Agreement shall confer any right upon any person other than AGM and the Issuer.

Section 9.12. Term. The term of this Agreement shall commence on the date hereof and shall end on the date the Bonds and the interest thereon, and all amounts due and owing to AGM under this Agreement and all Related Documents and pursuant to any rights of subrogation AGM may have under this Agreement, the Policies and the Related Documents, are paid in full.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed in its respective name by its duly authorized officer, all as of the date first above written.

ASSURED GUARANTY MUNICIPAL CORP.

By: _____
Title: _____

HARRIS COUNTY-HOUSTON
SPORTS AUTHORITY

By:  _____
Chair, Board of Directors

By: _____
Secretary
Board of Directors

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed in its respective name by its duly authorized officer, all as of the date first above written.

ASSURED GUARANTY MUNICIPAL CORP.

By: _____
Title: _____

HARRIS COUNTY-HOUSTON
SPORTS AUTHORITY

By: _____
Chair, Board of Directors

By: *Amanda G. Mueller*
Secretary
Board of Directors

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed in its respective name by its duly authorized officer, all as of the date first above written.

ASSURED GUARANTY MUNICIPAL CORP.

A rectangular box containing a handwritten signature in blue ink. The signature appears to read "William Hogan".

By: William Hogan
Title: Sr. Managing Director

HARRIS COUNTY-HOUSTON
SPORTS AUTHORITY

By: _____
Chair, Board of Directors

By: _____
Secretary
Board of Directors

EXHIBIT G-1
INVITATION TO TENDER
(see Tab 35)

INVITATION TO OFFER BONDS
(the “Invitation”)
made by
HARRIS COUNTY-HOUSTON SPORTS AUTHORITY
(the “Issuer”)

**The Issuer invites Bondholders to offer to sell to the Issuer
for cash the following Issuer Bonds with the following CUSIP numbers:**

SENIOR LIEN REVENUE REFUNDING BONDS, SERIES 2001A (CABs)
CUSIPs: 413893CG1, 413893CL0, AND 413893CM8

SENIOR LIEN REVENUE REFUNDING BONDS, SERIES 2014A
CUSIPs: 413890CV4, 413890CW2, AND 413890CX0

SECOND LIEN REVENUE REFUNDING BONDS, SERIES 2014C
CUSIPs: 413890DW1 AND 413890DX9

collectively, the “Bonds”

**See Section 13 for a description of the Modified Dutch Auction procedures
for determining the Purchase Prices**

Key Dates and Times

*All of these dates and times are subject to change and to all conditions described in this Invitation
and related tender materials. All times are New York City time.*

Notices of changes will be sent in the manner provided for in this Invitation.

Expiration Time (unless extended)	5:00 p.m., September 21, 2020
Purchase Prices and Second Look Announcement:	10:00 a.m., September 23, 2020
Expiration of Second Look, if applicable:	5:00 p.m., September 24, 2020
Notice of Final Results and Acceptance:	10:00 a.m., September 25, 2020
Settlement Date (unless extended as described herein)	October 9, 2020

**To make an informed decision as to whether, and how, to offer Bonds, beneficial owners of Bonds
 (“Bondholders”) must read this Invitation to Offer Bonds carefully and should consult their brokers,
account executives or other financial advisors.**

The Dealer Manager for this Invitation is:

WELLS FARGO SECURITIES

Jim Perry: (601) 760-1999

John Young: (713) 805-9284

The Information and Tender Agent for this Invitation is:

GLOBIC ADVISORS

Attn: Robert Stevens

Tel: (212) 227-9622 Toll-free: 800-974-5771 E-Mail: rstevens@globic.com

Document Website: www.globic.com/hchsa

Investors with questions about this Invitation should contact the Information and Tender Agent.

The date of this Invitation is September 8, 2020.

BONDS INVITED TO BE OFFERED

Harris County-Houston Sports Authority

SENIOR LIEN REVENUE REFUNDING BONDS, SERIES 2001A (CABs)

CUSIP*	Maturity (November 15)	Interest Rate	Principal Amount	First Optional Redemption Date	Accreted Value at Earlier of Maturity or First Optional Redemption Date
413893CG1	11/15/2021	5.88%	\$1,335,549.60	n/a	\$ 4,380,500.00
413893CL0	11/15/2038	6.24%	66,406.90 ⁽¹⁾	11/15/2030	406,763.90
413893CM8	11/15/2040	6.25%	202,354.00 ⁽¹⁾	11/15/2030	1,242,920.00

SENIOR LIEN REVENUE REFUNDING BONDS, SERIES 2014A

CUSIP*	Maturity (November 15)	Interest Rate	Principal Amount	First Optional Redemption Date
413890CV4	11/15/2021	5.00%	18,360,000	n/a
413890CW2	11/15/2022	5.00%	23,660,000	n/a
413890CX0	11/15/2023	5.00%	24,840,000	n/a

SECOND LIEN REVENUE REFUNDING BONDS, SERIES 2014C

CUSIP*	Maturity (November 15)	Interest Rate	Principal Amount	First Optional Redemption Date
413890DW1	11/15/2021	5.00%	3,090,000	n/a
413890DX9	11/15/2022	5.00%	3,245,000	n/a

(1) The indicated amount for this CUSIP does not represent the entire amount outstanding as of the date of this Invitation, but does represent the maximum portion of the indicated CUSIP that the Issuer will consider purchasing pursuant to this Invitation.

* CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services ("CGS"). CGS is managed by S&P Global Market Intelligence on behalf of the American Bankers Association. Copyright ©2020 CUSIP Global Services. All rights reserved. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP numbers are provided for convenience of reference only. Neither the Issuer nor the Dealer Manager nor the Tender Agent or their respective agents or counsel assume responsibility for the accuracy of such numbers.

IMPORTANT INFORMATION

This Invitation and other information with respect thereto are and will be available from Wells Fargo Securities (the “Dealer Manager”) and Globic Advisors (the “Tender Agent”) at <http://emma.msrb.org> and <https://www.globic.com/hchsa>. Bondholders wishing to offer to sell their Bonds in response to this Invitation should follow the procedures described in this Invitation. The Issuer reserves the right to cancel or modify this Invitation at any time at or prior to the Expiration Time as provided herein and reserves the right to issue a future invitation or tender offer for Bonds on terms different than those described herein in its sole discretion. The Issuer will have no obligation to purchase Bonds if this Invitation is cancelled or the Issuer fails to accept offers. The Issuer further reserves the right to accept nonconforming offers and tenders or waive irregularities in any offer or tender.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THIS INVITATION OR PASSED UPON THE FAIRNESS OR MERITS OF THIS INVITATION OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS INVITATION. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This Invitation is not being extended to, and offers and Bonds tendered in response to this Invitation will not be accepted from or on behalf of, Bondholders in any jurisdiction in which this Invitation or such offer or acceptance would not be in compliance with the laws of such jurisdiction. In any jurisdictions where the securities, “blue sky” or other laws require this Invitation to be made through a licensed or registered broker or dealer, this Invitation shall be deemed to be made on behalf of the Issuer through the Dealer Manager or one or more registered brokers or dealers licensed under the laws of that jurisdiction.

References to website addresses herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not a part of, this Invitation.

No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in this Invitation, and, if given or made, such information or representation may not be relied upon as having been authorized by the Issuer.

The delivery of this Invitation shall not under any circumstances create any implication that any information contained herein is correct as of any time subsequent to the date hereof or that there has been no change in the information set forth herein or in any attachment hereto or materials delivered herewith or in the affairs of the Issuer since the date hereof. The information contained in this Invitation is as of the date of this Invitation only and is subject to change, completion, and amendment without notice.

Certain statements contained in or incorporated by reference into this Invitation are “forward-looking statements.” Forward-looking statements are based on the Issuer’s current expectations, estimates, beliefs, assumptions and projections of future performance, taking into account the information currently available to the Issuer. These statements may be identified by the use of words like “expects,” “intends,” “plans,” “aims,” “projects,” “believes,” “anticipates,” “estimates,” “will,” “should,” “could” and other expressions that indicate future events and trends. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such statements. Inevitably, some assumptions used in connection with the forward-looking statements will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between such statements and actual results, and those differences may be material.

Forward-looking statements speak only as of the date of the document in which they are made or as otherwise specified therein. The Issuer disclaims any obligation or undertaking to provide any updates or revisions to any forward-looking statement to reflect any change in the Issuer’s expectations or any change in events, conditions or circumstances on which the forward-looking statement is based.

This Invitation contains important information which should be read before any decision is made with respect to this Invitation.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
General	1
Binding Contract to Sell	2
Brokerage Commissions and Solicitation Fees	2
Dealer Manager and Tender Agent.....	2
TERMS OF THE INVITATION	2
1. Expiration Time.....	2
2. Offers Only Through the ATOP Accounts	3
3. Information to Bondholders.....	3
4. Authorized Denominations	3
5. Provisions Applicable to All Offers	4
6. Offers at an Offer Price	4
7. Non-competitive Offers without an Offer Price	4
8. Tender of Bonds by Financial Institutions; ATOP Accounts	5
9. Determinations as to Form and Validity; Right of Waiver and Rejection.....	5
10. Amendments and Withdrawals of Offers and Tenders Prior to Expiration Time.....	5
11. Irrevocability of Offers; Return of Bonds Not Purchased	6
12. Determination of Amounts to be Purchased.....	6
13. Determination of Purchase Prices.....	6
14. Second Look.....	6
15. Priority of Purchases.....	7
16. Acceptance of Offers Constitutes Irrevocable Agreement; Notice of Results.....	8
17. Settlement Date; Purchase of Bonds.....	8
18. Representations by Tendering Bondholders.....	8
19. Conditions to Purchase	9
20. Extension, Termination and Amendment of Invitation; Changes to Terms	10
AVAILABLE INFORMATION	10
ADDITIONAL CONSIDERATIONS	10
Tax Consequences of Bond Tender and Sale vs. Defeasance	10
Treatment of Bonds Not Purchased Pursuant to Offers.....	10
Offers May be Required to Refund Bonds	11
SUMMARY OF CERTAIN FEDERAL INCOME TAX CONSEQUENCES	11
DEALER MANAGER	12
TENDER AGENT	13
MISCELLANEOUS	13
APPENDIX A SOLICITATION FEE PAYMENT REQUEST FORM.....	A-1

INVITATION TO TENDER BONDS
made by
HARRIS COUNTY-HOUSTON SPORTS AUTHORITY
to the Bondholders described herein of its

**SENIOR LIEN REVENUE
REFUNDING BONDS,
SERIES 2001A (CABS)**

**SENIOR LIEN REVENUE
REFUNDING BONDS,
SERIES 2014A**

**SECOND LIEN REVENUE
REFUNDING BONDS,
SERIES 2014C**

INTRODUCTION

General

This Invitation to Tender Bonds (as it may be amended or supplemented as provided herein, including the cover page and attachment hereto, this “**Invitation**”), is issued by the Harris County-Houston Sports Authority (the “**Issuer**”), with the assistance of Wells Fargo Securities, as dealer manager (the “**Dealer Manager**”), to the beneficial owners (the “**Bondholders**”) of the above captioned bonds of the Issuer with the maturities and CUSIP numbers identified inside the cover page (collectively, the “**Bonds**”), and invites Bondholders to offer to sell Bonds for purchase by the Issuer at a price at or above the minimum price specified by the Bondholder.

The Bonds designated Series 2001A are capital appreciation bonds and referred to herein as “**CABs**.” The Bonds designated Senior Lien Revenue Refunding Bonds, Series 2001A and Senior Lien Revenue Refunding Bonds, 2014A are referred to herein as “**Senior Lien Bonds**.” The Bonds designated Second Lien Revenue Refunding Bonds, Series 2014C are referred to herein as “**Second Lien Bonds**.” Bonds of a particular series and maturity bearing the same rate of interest and assigned a distinct CUSIP number are referred to herein as Bonds of such “**CUSIP**.”

Each Bondholder is invited by the Issuer to offer (an “**Offer**”) to sell to the Issuer, for payment in cash, all or part of its beneficial ownership interests in the Bonds in authorized denominations, as set forth herein. An offer to sell may be made (i) at an offer price or prices or (ii) on a non-competitive basis by offering to sell Bonds without specifying an offer price. (See Section 6—“Offers at an Offer Price” and Section 7—“Non-competitive Offers without an Offer Price” herein.) The Issuer may decide to purchase less than all (or none) of the Bonds offered to the Issuer. (See Section 12—“Determination of Amounts to be Purchased” herein.) Offers must be submitted by the Expiration Time specified on the cover page or such later date to which it may be deferred as herein provided (the “**Expiration Time**”). Bonds which the Issuer purchases pursuant to this Invitation will be cancelled. Bondholders will not be obligated to pay any brokerage commissions or solicitation fees to the Issuer, the Dealer Manager or the Tender Agent in connection with this Invitation. Bondholders should consult with their brokers, account executives, banks, financial institutions or financial advisors to determine whether they will charge any commissions or fees.

The purchase price for Bonds of each CUSIP if any, (each, a “**Purchase Price**”) which the Issuer decides to purchase, will be paid on the Settlement Date specified on the cover page or such later date to which settlement may be deferred as herein provided (the “**Settlement Date**”). (See Section 17—“Settlement Date; Purchase of Bonds” herein.) Accrued interest on the Bonds up to but not including the Settlement Date (the “**Accrued Interest**”) also will be paid on the Settlement Date.

Bonds which the Issuer does not purchase pursuant to this Invitation will be returned to the Bondholder that offered such Bonds and will remain outstanding. The Bondholders whose Bonds are not purchased pursuant to this Invitation will continue to bear the risk of ownership of such Bonds, although that risk may change if such Bonds are defeased as described below. The purchase of a significant portion of Bonds of a particular CUSIP pursuant to this Invitation may have an adverse effect on the liquidity for the remaining Bonds of such CUSIP. (See “**ADDITIONAL CONSIDERATIONS**” herein.)

Among other conditions, the Issuer’s obligation to purchase tendered Bonds will be subject to the sale and delivery of the Issuer’s Senior Lien Revenue Refunding Bonds, Series 2020A (the “**Tax-Exempt Refunding Bonds**”), intended to be sold contemporaneously with the Issuer’s acceptance of Offers and issued on or before the Settlement Date for a price sufficient to fund the Purchase Price of Bonds tendered under accepted Offers and pay Accrued Interest and associated issuance and transaction costs. Simultaneous with the issuance of the Tax-Exempt Refunding Bonds, the Issuer intends to issue its (i) Taxable Senior Lien Revenue Refunding Bonds, Series 2020B (“**the Taxable Senior Lien Refunding Bonds**”), and (ii) its Taxable Second Lien Revenue Refunding Bonds, Series 2020C (together with the Taxable Senior Lien Refunding Bonds, the “**Taxable Refunding Bonds**”). The Tax-Exempt Refunding Bonds and the Taxable Refunding Bonds (collectively, the “**Refunding Bonds**”) are described in the Issuer’s

Preliminary Official Statement, dated of even date with this Invitation, relating to such bonds (the “**Preliminary Official Statement**”), copies of which are available from the Dealer Manager. All of the Second Lien Bonds will be purchased or defeased on the Settlement Date if any Bonds are purchased. On the Settlement Date, the Issuer intends to purchase or defease the majority, if not all, of the principal amount of the Senior Lien Bonds with the following CUSIPs: 413893CG1, 413890CV4, if any Bonds are purchased.

The Issuer is soliciting Offers to sell Bonds and intends to issue the Refunding Bonds in order to refund the Bonds and defer associated debt service requirements. The Issuer intends, but is not obligated to, accept Offers at prices that will enable it to refund a sufficient amount of Bonds with Tax-Exempt Refunding Bonds on the Settlement Date, at a lower cost than defeasing such Bonds to maturity or the first optional redemption date, if any, with proceeds of Taxable Refunding Bonds, to enable the Issuer to defer an amount of debt service requirements that it deems advisable.

The Issuer reserves the right, subject to applicable law, to amend or waive any conditions to this Invitation and its obligations under accepted Offers, in whole or in part, at any time prior to the Expiration Time as provided herein, in its sole discretion. This Invitation may be withdrawn by the Issuer at any time prior to the Expiration Time.

TO MAKE AN INFORMED DECISION AS TO WHETHER, AND HOW, TO TENDER BONDS FOR SALE IN RESPONSE TO THIS INVITATION, BONDHOLDERS SHOULD READ THIS INVITATION CAREFULLY.

Neither the Issuer nor the Dealer Manager nor the Tender Agent makes any recommendation that any Bondholder offer, or refrain from offering, all or any portion of such Bondholder’s Bonds for sale. Bondholders must make these decisions and should read this Invitation and consult with their brokers, account executives, financial advisors and/or other appropriate professionals in doing so.

Binding Contract to Sell

If a Bondholder’s Offer to sell Bonds is accepted by the Issuer by the time specified herein, or if a Bondholder’s amended Offer to sell Bonds at the Purchase Price established by the Issuer is accepted as described in Section 14—“Second Look” herein, the Bondholder will be obligated to sell, and the Issuer will be obligated to purchase, such Bonds on the Settlement Date at the Purchase Price for such Bonds plus Accrued Interest to the Settlement Date, subject to the conditions described herein. See “Section 19—“Conditions to Purchase” herein.

Brokerage Commissions and Solicitation Fees

Bondholders will not be obligated to pay any brokerage commissions or solicitation fees to the Issuer, the Dealer Manager, or the Tender Agent in connection with this Invitation, Offers, or consummation of accepted Offers. However, Bondholders should check with their brokers, banks, account executives or other financial institutions which maintain the accounts in which their Bonds are held (“**Financial Representatives**”) to determine whether they will charge any commissions or fees.

Dealer Manager and Tender Agent

Wells Fargo Securities is the Dealer Manager for this Invitation. Investors with questions about this Invitation should contact the Dealer Manager or Globic Advisors, which serves as the Information and Tender Agent, at the addresses and telephone numbers set forth on the page preceding the attachment to this Invitation. See “DEALER MANAGER” and “TENDER AGENT” herein.

TERMS OF THE INVITATION

1. Expiration Time

The Issuer’s invitation to submit Offers will expire at the Expiration Time, unless this Invitation is earlier terminated as provided herein.

Offers submitted after the Expiration Time will not be considered, except as described in Section 14—“Second Look” herein.

See “Section 20 – Extension, Termination and Amendment; Changes to Terms” below for a discussion of the Issuer’s right to defer the Expiration Time and to terminate or amend this Invitation.

2. Offers Only Through the ATOP Accounts

The Bonds are all held in book-entry-only form through the facilities of The Depository Trust Company of New York (“**DTC**”) through banks, brokers and other institutions that are participants in DTC.

The Issuer, through the Tender Agent, will establish an Automated Tender Offer Account (an “**ATOP Account**”) at DTC for the offer, tender and payment of Bonds of each CUSIP promptly after the date of this Invitation.

ALL OFFERS TO SELL AND TENDERS OF BONDS MUST BE THROUGH THE APPLICABLE ATOP ACCOUNTS. THE ISSUER WILL NOT ACCEPT ANY OFFER OR TENDER OF BONDS THAT IS NOT SUBMITTED THROUGH AN ATOP ACCOUNT.

Bondholders who are not DTC participants can make offers to sell their Bonds only through the financial institution which maintains the DTC account in which their Bonds are held.

Any financial institution that is a participant in DTC may make an Offer and book-entry tender of Bonds by submitting a Voluntary Offering Instruction to DTC and causing DTC to transfer such Bonds into the applicable ATOP Account in accordance with DTC’s procedures for such instructions and transfers. Bondholders who are not DTC participants can submit Offers and tender Bonds in response to this Invitation only by making arrangements with and instructing their Financial Representative to do so (or to cause their DTC participant to do so) through the applicable ATOP Account. To ensure that Offers are made and Bonds are tendered to the applicable ATOP Account by the Expiration Time, Bondholders must provide instructions to their Financial Representatives in sufficient time for the Financial Representatives to do so (or cause their DTC participants to do so) by the Expiration Time. Bondholders should contact their Financial Representatives for information as to when they need instructions in order to submit Offers and tender Bonds to the applicable ATOP Account by the Expiration Time. See Section 8—“Tender of Bonds by Financial Institutions; ATOP Accounts” herein.

Neither the Issuer nor the Dealer Manager nor the Tender Agent is responsible for the submission of Offers or the transfer of tendered Bonds to the ATOP Accounts or for any mistakes, errors or omissions in submissions and transfers.

3. Information to Bondholders

The Issuer may give information about this Invitation to the market and Bondholders by delivering the information to the following institutions: Bloomberg Financial Market Systems and the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access website, currently located at <http://emma.msrb.org> (“**EMMA**”). These institutions, together with the Tender Agent, are collectively referred to herein as the “**Information Services**.” The Tender Agent will deliver information provided to it by the Issuer through its website, <https://www.globic.com/hchsa>. Any delivery of information by the Issuer to the Information Services will be deemed to constitute delivery of the information to each Bondholder.

Neither the Issuer nor the Dealer Manager nor the Tender Agent has any obligation to ensure that a Bondholder actually receives any information given to the Information Services.

Bondholders who would like to receive information transmitted by or on behalf of the Issuer to the Information Services may receive such information from the Dealer Manager or the Tender Agent by contacting them using the contact information on the page preceding the attachment to this Invitation or by making appropriate arrangements with their account executives or directly with the Information Services.

Any updates to this Invitation will be distributed through the Information Services. The final Official Statement with respect to the Refunding Bonds will be posted to EMMA.

4. Authorized Denominations

A Bondholder may submit one or more Offers to sell Bonds of one or more series and maturities in an amount of its choosing, but only in a principal amount (or, in the case of CABs, maturity amount) equal to an authorized

denomination of Bonds (\$5,000 or any integral multiple of \$5,000 of maturity amount for CABs and principal amount for Bonds that are not CABs).

5. Provisions Applicable to All Offers

Need for Advice. Bondholders should ask their Financial Representatives or financial advisors for help in determining (a) whether to offer to sell and tender Bonds of a particular CUSIP, (b) the principal amount (or, in the case of CABs, maturity amount) of such Bonds to be offered, and (c) the minimum purchase price, if any, at or above which such Bonds are offered to be sold. Bondholders also should inquire as to whether their Financial Representatives or financial advisors will charge a fee for submitting Offers or tenders if the Issuer purchases tendered Bonds. Neither the Issuer nor the Dealer Manager nor the Tender Agent will charge any Bondholder for submitting Offers or tendering or selling Bonds.

Need for Specificity of Offer. Neither an Offer nor an accompanying tender of Bonds of any CUSIP may exceed the principal amount (or, in the case of CABs, maturity amount) of Bonds of such CUSIP owned by the tendering Bondholder, and each Offer must include the following information: (1) the CUSIP number(s) of the Bond(s) being tendered, (2) the principal amount (or, in the case of CABs, maturity amount) of Bonds with each CUSIP number being tendered, and (3) except in the case of non-competitive Offers (see Section 7—“Non-competitive Offers without an Offer Price”), the price (excluding accrued interest) for each CUSIP number at or above which such Bonds are offered to be sold to the Issuer in response to this Invitation. The principal amount (or, in the case of CABs, maturity amount) must be specified in integral multiples of \$5,000 and, if not so specified, will be reduced to the nearest integral multiple of \$5,000. Specified prices may not include fractions of a cent. If they do, they will be rounded down to the nearest whole cent.

“All or none” offers are not permitted. No alternative, conditional or contingent Offers or tenders will be accepted.

ALL OFFERS FOR AND TENDERS OF BONDS MUST BE MADE THROUGH THE APPLICABLE ATOP ACCOUNTS. THE ISSUER WILL NOT ACCEPT ANY OFFERS OR TENDERS THAT ARE NOT MADE THROUGH THE APPLICABLE ATOP ACCOUNTS. See Section 8—“Tender of Bonds by Financial Institutions; ATOP Accounts” herein.

General. Bondholders may offer to sell and tender only Bonds that they own or control. By offering to sell and tendering Bonds in response to this Invitation, Bondholders will be deemed to have represented and agreed with the Issuer as set forth below under “—Representations by Tendering Bondholders.” All Offers and tenders shall survive the death or incapacity of the tendering Bondholder.

6. Offers at an Offer Price

A Bondholder may make an Offer to sell Bonds of a particular CUSIP in a principal amount (except in the case of CABs) or maturity amount (in the case of CABs) of its choosing (in authorized denominations only) and at a price of its choosing (an “***Offer Price***”) expressed in dollars per \$1,000 of the principal amount (or maturity amount, in the case of CABs) of the Bonds of such CUSIP being offered. An Offer Price may contain no more than two numbers to the right of the decimal point. Any Offer Price containing more than two numbers to the right of the decimal point will be truncated to two numbers.

A Bondholder may offer portions (in authorized denominations) of Bonds of a particular CUSIP that it owns at more than one Offer Price (or part with one or more Offer Prices and part without an Offer Price as described in the next section) so long as all of the offers do not exceed the principal amount or maturity amount, as applicable, of such Bonds owned by that Bondholder. Offers at differing Offer Prices for Bonds of the same CUSIP must each be submitted separately, and Offers for Bonds of each distinct CUSIP must also be submitted separately.

An Offer Price for Bonds must not include Accrued Interest. Accrued Interest will be added to the Offer Price in determining the price to be paid on the Settlement Date.

7. Non-competitive Offers without an Offer Price

A Bondholder may also make an Offer to sell Bonds of a particular CUSIP in a principal amount or maturity amount, as applicable, of its choosing by offering such Bonds without specifying an Offer Price (or part without

an Offer Price and part with Offer Prices as described in the prior section). Offers that do not specify an Offer Price are referred to herein as “*non-competitive Offers*.” If the Issuer decides to purchase Bonds of a CUSIP for which one or more non-competitive Offers are submitted, then any such non-competitive Offers will be accepted for purchase at the Purchase Price paid for all Bonds of such CUSIP. Pursuant to Section 15—“Priority of Purchases,” non-competitive Offers will have the highest priority of offered Bonds of the same CUSIP to be purchased by the Issuer.

8. Tender of Bonds by Financial Institutions; ATOP Accounts

The Issuer, through the Tender Agent, will establish an ATOP Account at DTC for the Bonds of each CUSIP to which this Invitation relates for purposes of this Invitation within three business days after the date of this Invitation. Offers to sell Bonds may be made to the Issuer only through the applicable ATOP Account. Any financial institution that is a participant in DTC may make a book-entry Offer of the Bonds by (a) causing DTC to transfer such Bonds into the applicable ATOP Account in accordance with DTC’s procedures and (b) concurrently transferring an agent’s message in connection with such book-entry transfer to the applicable ATOP Account, in each case by not later than the Expiration Time. The ATOP Account will accept Offers at Offer Prices in increments of \$00.01 with DTC’s system able to accept Offer Prices in a maximum possible range of \$2,000.00 and with a minimum of \$200.00. *This range is provided for operational purposes related to the ATOP Account only and is not indicative of any pricing guidance from the Issuer or any other party related to this Invitation.* In order to ensure accurate receipt of each Bondholder’s intended Offer Price and any subsequent dissemination of funds, participants in DTC must submit an individual Voluntary Offering Instruction for each Beneficial Owner wishing to submit one or more Offers in response to this Invitation. Should a Bondholder offer Bonds at a variety of Offer Prices, a unique Voluntary Offering Instruction for each Offer Price must be submitted. The date and the time of submission of Bonds for purchase will be determined by the date and time at which Bonds are submitted into the applicable ATOP Account.

ALL OFFERS AND TENDERS OF BONDS MUST BE MADE THROUGH THE APPLICABLE ATOP ACCOUNT. THE ISSUER WILL NOT ACCEPT ANY OFFERS OR TENDERS THAT ARE NOT MADE THROUGH THE APPLICABLE ATOP ACCOUNT.

Bondholders who are not DTC participants can submit Offers and tender Bonds in response to this Invitation only by making arrangements with their Financial Representatives, instructing them to submit and tender (or cause their DTC participant to submit and tender) such Offers and Bonds through the applicable ATOP Account. To ensure that Offers are submitted and Bonds are tendered to the applicable ATOP Account by the Expiration Time, Bondholders must provide instructions to their Financial Representatives in sufficient time to enable them to do so by the Expiration Time. Bondholders should contact their Financial Representatives for information as to when instructions are needed in order to submit Offers and tender Bonds to the applicable ATOP Account by the Expiration Time.

9. Determinations as to Form and Validity; Right of Waiver and Rejection

All questions as to the validity, form, eligibility and acceptance of Offers (including the tender of Bonds through the ATOP Accounts) will be determined by the Issuer in its sole discretion, and such determination will be final, conclusive and binding.

The Issuer reserves the right to waive any irregularities or defects in any Offer or tender or to reject any nonconforming Offer or tender. Neither the Issuer nor the Dealer Manager nor the Tender Agent is obligated to give notice of any defect or irregularity in Offers or tenders of Bonds, and they will have no liability for failing to give such notice.

10. Amendments and Withdrawals of Offers and Tenders Prior to Expiration Time

A Bondholder may amend its Offer in any respect it chooses by causing a withdrawal message for the Offer to be received at the applicable ATOP Account a new Offer for the same Bonds to be submitted to such ATOP Account by not later than the Expiration Time.

Offers and tenders of Bonds may be withdrawn by causing a withdrawal message to be received at the applicable ATOP Account prior to the Expiration Time.

11. Irrevocability of Offers; Return of Bonds Not Purchased

All offers to sell Bonds will become irrevocable at the Expiration Time, except (i) non-competitive Offers made for Bonds of a particular CUSIP where the Issuer chooses a price that is below the lowest received Offer Price for that CUSIP, (ii) non-competitive Offers made for Bonds of a particular CUSIP where Offers of all Bonds of the same CUSIP do not specify an Offer Price, and (iii) Offers made for Bonds at Offer Prices that are above the Purchase Price established for Bonds of the same CUSIP but for which the Issuer allows a second look (see Section 14—“Second Look”), which will become irrevocable as of 5:00 p.m. on the third business day following the Expiration Time, in each case subject to Section 20—“Extension, Termination and Amendment of Invitation; Changes to Terms.”

The Issuer will instruct DTC to return to the offering institutions those Bonds that were offered but were not accepted for purchase. Neither the Issuer nor the Dealer Manager nor the Tender Agent are responsible or liable for the return of Bonds to offering institutions or Bondholders or when such Bonds are returned.

12. Determination of Amounts to be Purchased

The Issuer is not required to purchase any Bond offered. The Issuer will determine which Bonds, if any, it will purchase. The Issuer therefore has the right to purchase none, some, or all of the Bonds of a particular CUSIP offered and to make different decisions for Bonds of different CUSIPs.

After the Expiration Time, the Issuer will determine the amount (if any) of the Bonds of each CUSIP that it will purchase based on such factors as the Issuer in its sole discretion deems relevant.

13. Determination of Purchase Prices

There will be a single purchase price (not including Accrued Interest), expressed in dollars per \$1,000 principal amount or maturity amount, as applicable (a “**Purchase Price**”), determined as described in this section, for the Bonds of each CUSIP that the Issuer decides to purchase. The Purchase Price for Bonds of a particular CUSIP may differ from the Purchase Price for the Bonds of any other CUSIP. The Purchase Price for the Bonds of each CUSIP that the Issuer decides to purchase will be determined by the Issuer by a “Modified Dutch Auction” procedure described in the following paragraph.

Under the procedure, if the Issuer elects to purchase Bonds of a CUSIP that are the subject of Offers, the Issuer will choose a Purchase Price for Bonds of such CUSIP by 10 a.m. on the second business day (currently September 23, 2020) after the Expiration Time. The Purchase Price for Bonds of each CUSIP does not have to be based on any Offer Price received for that CUSIP, but may be whatever price the Issuer decides. Bonds of each CUSIP offered at Offer Prices at or below the Purchase Price established by the Issuer for that CUSIP will be purchased at that Purchase Price. In addition, Bonds of each CUSIP offered without specifying an Offer Price will be purchased at the Purchase Price for that CUSIP, if any Bonds of that CUSIP offered at an Offer Price are purchased or if the Bondholder fails to withdraw its Offer as described below. If the Issuer chooses a Purchase Price for Bonds of a particular CUSIP that is below the lowest Offer Price submitted for that CUSIP, or if all the Bonds of a particular CUSIP offered are offered without specifying an Offer Price, Bondholders who made offers to sell such Bonds without specifying an Offer Price may direct the financial institutions that hold their Bonds to withdraw their original Offer. To be effective, such withdrawal must be received at the applicable ATOP Account prior to 5:00 p.m. on the third business day following the Expiration Time. Any Bondholders who have not withdrawn their Bonds by that date and time will be deemed to have accepted the Purchase Price for that CUSIP, and its Offer will be deemed accepted. **Any Bondholder who may be unable to receive notice of the Purchase Price or to act on its right of withdrawal should make arrangements for someone else to act on its behalf.**

14. Second Look

The Issuer may set the Purchase Price for the Bonds of a particular CUSIP that will result in it accepting for purchase less than all of the Bonds of such CUSIP it desires to purchase. In this case, the Issuer may, but is not obligated to, allow Bondholders who offered Bonds of such CUSIP at Offer Prices that exceeded the Purchase Price for such Bonds to submit amended Offers to sell some or all of their previously offered Bonds of this CUSIP at this Purchase Price. If the Issuer allows amended Offers, it will notify the Information Services at or about 10:00 a.m. on the second business day (currently September 23, 2020) after the Expiration Time. A copy of such notification will

also be posted on the website of the Information and Tender Agent (www.globic.com/hchsa) and on EMMA. Such notification will state the Purchase Price (excluding Accrued Interest) for the Bonds of each CUSIP that the Issuer intends to accept for purchase. If the Issuer allows amended Offers to be submitted for Bonds of any CUSIP, Bondholders who submitted Offers to sell such Bonds at prices greater than the Purchase Price may direct the financial institutions that hold their Bonds to submit an amended Offer to sell such Bonds at the Purchase Price. To be effective, an amended Offer of Bonds must be received at the applicable ATOP Account prior to 5:00 p.m. on the third business day after the Expiration Time. An amended Offer must be submitted in the same manner as the original offer. **A Bondholder may submit an amended Offer only for Bonds of CUSIPs that it initially offered and for which the Issuer allows amended Offers.**

Any Bondholder who may be unable to receive notice of the Purchase Price or to institute an amended Offer on a timely basis should make arrangements for someone else to act on its behalf.

15. Priority of Purchases

Offers to sell Bonds of any CUSIP pursuant to this Invitation that are accepted by the Issuer, if any, will be accepted in the following order of priority:

- The first Bonds of such CUSIP to be accepted for purchase will be Bonds initially offered without an Offer Price (i.e., non-competitive Offers). If only non-competitive Offers are accepted for purchase for Bonds of such CUSIP, and if fewer than all Bonds offered by such Offers are accepted for purchase, Offers will be accepted by date and time (earliest to latest) as determined by the sequence by which such Bonds were received into the applicable ATOP Account. If more than one Offer for Bonds of such CUSIP is received at the same date and time, the Issuer will accept Bonds of such CUSIP for which such Offers were submitted on a pro rata basis reflecting the ratio of the aggregate principal amount or maturity amount, as applicable, of the Bonds of such CUSIP offered by each Bondholder at such date and time to the aggregate principal amount or maturity amount, as applicable, of all of Bonds of such CUSIP offered at such date and time, to the greatest extent practicable consistent with authorized denominations.
- The second Bonds of such CUSIP to be accepted for purchase will be Bonds initially offered at Offer Prices at or below the applicable Purchase Price. If fewer than all such Bonds of such CUSIP are accepted for purchase, offers will be accepted in order of increasing Offer Prices (lowest to highest) at which such Bonds were offered. If more than one Offer is received at the same Offer Price and fewer than all such Bonds are accepted for purchase at that Offer Price, Offers at such Offer Price will be accepted in order of the date and time (earliest to latest) at which such Bonds were received into the applicable ATOP Account. If more than one Offer for Bonds of such CUSIP at the same Offer Price is received at the same date and time, the Issuer will accept Bonds of such CUSIP for which such Offers were submitted on a pro rata basis reflecting the ratio of the principal amount or maturity amount, as applicable, of the Bonds of such CUSIP offered by each Bondholder at such Offer Price and date and time to the aggregate principal amount or maturity amount, as applicable, of all of such Bonds offered at such Offer Price and date and time, to the greatest extent practicable consistent with authorized denominations.
- The third Bonds of such CUSIP to be accepted for purchase will be Bonds offered for sale under amended Offers submitted as described in Section 14—“Second Look” herein. If fewer than all such Bonds are accepted for purchase, amended Offers will be accepted in order of increasing Offer Prices (lowest to highest) at which such Bonds were initially offered. If more than one amended Offer for such Bonds is received with the same initial Offer Price and fewer than all such Bonds are accepted for purchase, amended Offers will be accepted in order of the date and time of such initial Offers (earliest to latest) as determined by the sequence by which such Bonds were received into the applicable ATOP Account. If more than one amended Offer for such Bonds is received with the same initial Offer Price, date and time of initial Offer, amended Offers will be accepted on a pro rata basis reflecting the ratio of the principal amount or maturity amount, as applicable, of the Bonds of such CUSIP by each Bondholder with such initial Offer Price, date, and time to the aggregate principal amount or maturity amount, as applicable, of all such Bonds with such initial Offer Price, date and time subject to amended Offers, to the greatest extent practicable consistent with authorized denominations.

If, as a result of any apportionments described above, the Issuer would be required to accept a principal amount or maturity amount, as applicable, of Bonds that is not equal to an authorized denomination, the Issuer will,

in such manner as is in its sole discretion, round up or down the principal amount or maturity amount, as applicable, of Bonds to be accepted from any affected Bondholder so that the principal amount or maturity amount, as applicable, of its Bonds accepted will be equal to an authorized denomination. All such determinations and allocations will be final and binding.

Any Bonds not accepted for purchase as a result of the procedures described herein will be returned to offering institutions promptly in accordance with DTC's procedures.

16. Acceptance of Offers Constitutes Irrevocable Agreement; Notice of Results

Acceptance by the Issuer of Bonds initially offered, and offered pursuant to amended Offers as described in Section 14—"Second Look," will be deemed made when written notification is transmitted by the Issuer to the Information Services. Such notification will be made on or about 10:00 a.m. on the fourth business day (currently September 25, 2020) following the Expiration Time. The notification will state, for the Bonds of each CUSIP, (i) the principal amount or maturity amount, as applicable, of such Bonds that the Issuer has accepted for purchase, the Purchase Price (excluding Accrued Interest) for such Bonds, and the amount purchased or (ii) that the Issuer has decided not to purchase any Bonds of such CUSIP.

If the Issuer accepts any Offer to sell validly tendered Bonds of any CUSIP, the accepted Offer will constitute an irrevocable agreement by the offering Bondholder to sell and the Issuer to purchase such Bonds, subject to satisfaction or waiver of all conditions to the Issuer's obligation to purchase tendered Bonds. See Section 19 – "Conditions to Purchase."

Notwithstanding any other provision of this Invitation or Offers, the Issuer's obligation to purchase and pay for Bonds validly offered and tendered (and not validly withdrawn) for sale to the Issuer in response to this Invitation is subject to the satisfaction or waiver by the Issuer of the conditions set forth in "Conditions to Purchase" below. The Issuer reserves the right, subject to applicable law, to amend or waive any of the conditions to this Invitation, the Offers, and contracts formed by the acceptance of Offers, in whole or in part, at any time prior to the Expiration Time or from time to time thereafter, in its sole discretion. This Invitation may be withdrawn by the Issuer at any time prior to the Expiration Time.

17. Settlement Date; Purchase of Bonds

On the Settlement Date, the Issuer will purchase and pay for all Bonds validly tendered for sale to the Issuer pursuant to accepted Offers, at the applicable Purchase Price plus Accrued Interest thereon to the Settlement Date, subject to satisfaction or waiver by the Issuer of all conditions to the Issuer's obligation to sell, and the tendering Bondholders will sell such Bonds to the Issuer for such consideration. The Settlement Date is the date specified on the cover page, unless deferred by the Issuer.

The Issuer may, in its sole discretion, change the Settlement Date by giving notice to the Information Services prior to the change. See Section 19—"Conditions to Purchase" below.

If the conditions to the Issuer's obligation to purchase Bonds tendered pursuant to accepted Offers are satisfied or waived, the Issuer will pay the Purchase Price plus Accrued Interest in immediately available funds on the Settlement Date by deposit of such amount with DTC. The Issuer expects that, in accordance with DTC's standard procedures, DTC will transmit the Purchase Price with Accrued Interest in immediately available funds to its participant financial institutions that hold such Bonds for delivery to the Bondholders. **Neither the Issuer nor the Dealer Manager nor the Tender Agent has any responsibility or liability for the distribution of such purchase prices by DTC or its participant financial institutions to Bondholders.**

18. Representations by Tendering Bondholders

By offering and tendering Bonds for sale to the Issuer in response to this Invitation, each tendering Bondholder will be deemed to have represented to and agreed with the Issuer that:

(a) the Bondholder has received and has had an opportunity to review this Invitation prior to making its decision to submit an Offer and tender Bonds, and agrees if its Offer is accepted by the Issuer with respect to any Bonds, it will be obligated to sell such Bonds on the terms and conditions set forth in this Invitation;

(b) the Bondholder has full power and authority to offer to sell, tender, sell, assign and transfer the tendered Bonds; and if its Offer is accepted by the Issuer with respect to any Bonds, on the Settlement Date the Issuer will acquire good, marketable and unencumbered title thereto, free and clear of all liens, charges, encumbrances, conditional sales agreements or other obligations and not subject to any adverse claims, subject to payment to the Bondholder of the Purchase Price for such Bonds plus Accrued Interest thereon to the Settlement Date;

(c) the Bondholder has made its own independent decisions to offer and tender its Bonds for sale to the Issuer in response to this Invitation and as to the terms thereof, and such decisions are based upon the Bondholder's own judgment and upon advice from such advisors whom the Bondholder has determined to consult;

(d) the Bondholder is not relying on any communication from the Issuer, the Dealer Manager, or the Tender Agent as investment advice or as a recommendation to offer and tender Bonds for sale to the Issuer, it being understood that the information from the Issuer, the Dealer Manager, and the Tender Agent related to the terms and conditions of this Invitation and Offers is not considered investment advice or a recommendation to offer and tender Bonds; and

(e) the Bondholder is capable of assessing the merits of and understanding (on its own and/or through independent professional advice), and does understand, agree and accept, the terms and conditions of this Invitation and its Offer.

19. Conditions to Purchase

The obligation of the Issuer to purchase Bonds tendered pursuant to accepted Offers is subject to the sale and delivery of the Issuer's Tax-Exempt Refunding Bonds on or before the Settlement Date for a price sufficient to fund the Purchase Price of Bonds so tendered and Accrued Interest, and pay associated transaction and issuance costs.

In addition, if, after the Expiration Time but prior to payment for Bonds on the Settlement Date, any of the following events should occur, the Issuer will have the absolute right to cancel its obligation to purchase Bonds tendered pursuant to accepted Offers without any liability to any Bondholder:

- Litigation or another proceeding is pending or threatened which the Issuer reasonably believes may, directly or indirectly, have an adverse impact on the Issuer or the expected benefits to the Issuer or Bondholders of accepted Offers or the purchase or defeasance of Bonds;
- A war, national emergency, banking moratorium, suspension of payments by banks, a general suspension of trading by the New York Stock Exchange or a limitation of prices on the New York Stock Exchange exists and the Issuer reasonably believes this fact makes it inadvisable to proceed with the purchase or defeasance of Bonds;
- A material change in the business or affairs of the Issuer has occurred which the Issuer reasonably believes makes it inadvisable to proceed with the purchase or defeasance of Bonds;
- A material change in the net economics of the transaction has occurred due to a material change in market conditions which the Issuer reasonably believes makes it inadvisable to proceed with the purchase or defeasance of Bonds; or
- There shall have occurred a material disruption in securities settlement, payment or clearance services.

The conditions described in this subsection are for the sole benefit of the Issuer and may be asserted by the Issuer, prior to the time of payment for the Bonds it has agreed to purchase, regardless of the circumstances giving rise to any condition, or may be waived by the Issuer in whole or in part at any time and from time to time in its discretion, and may be exercised independently for Bonds of each CUSIP. Failure by the Issuer to assert or waive any such condition at any time will not be deemed a waiver of its right to do so, and a waiver of any such right with respect to particular facts and other circumstances will not be deemed a waiver of such rights with respect to other facts and circumstances. Each of these rights will be deemed an ongoing right of the Issuer which may be asserted or waived at any time and from time to time prior to payment for the Bonds it has agreed to purchase. Any determination by the Issuer concerning the events described in this section will be final and binding upon all parties.

20. Extension, Termination and Amendment of Invitation; Changes to Terms

At or before the Expiration Time, the Issuer may defer the Expiration Time, as to any or all of the Bonds, to any date in its sole discretion, provided that a notice of the deferral is given to the Information Services, including by posting to EMMA on or about 9:00 a.m., New York City time, on the first business day after the Expiration Time.

The Issuer also has the right, prior to acceptance of Offers to sell tendered Bonds to the Issuer as described above in Section 16—“Acceptance of Offers Constitutes Irrevocable Agreement; Notice of Results,” to terminate this Invitation at any time by giving notice to the Information Services. The termination will be effective at the time specified in such notice.

The Issuer also has the right, prior to acceptance of Offers to sell tendered Bonds to the Issuer as described above in Section 16—“Acceptance of Offers Constitutes Irrevocable Agreement; Notice of Results” to amend or waive the terms of this Invitation in any respect and at any time by giving notice to the Information Services. The amendment or waiver will be effective at the time specified in such notice.

If the Issuer defers the Expiration Time, or amends the terms of this Invitation (including by waiving any term) in any material respect, the Issuer may (but is not required to) disseminate additional Invitation material and defer the Expiration Time to the extent required to allow reasonable time for dissemination to Bondholders and for Bondholders to respond.

No extension, termination or amendment (or waiver of any terms) of this Invitation will change the Issuer’s right to decline to purchase Bonds without liability on the conditions stated herein. See Section 19—“Conditions to Purchase” herein.

Neither the Issuer nor the Dealer Manager nor the Tender Agent has any obligation to ensure that a Bondholder actually receives any information given to the Information Services.

AVAILABLE INFORMATION

Information relating to the Bonds and the Issuer may be obtained by contacting the Tender Agent at the contact information set forth on the cover page to this Invitation. Such information is limited to (i) this Invitation, (ii) the information set forth in the Preliminary Official Statement, and (iii) information about the Issuer available through EMMA.

ADDITIONAL CONSIDERATIONS

In deciding whether to submit an Offer in response to this Invitation, Bondholders should consider carefully, in addition to the other information contained in this Invitation, the following:

Tax Consequences of Bond Tender and Sale vs. Defeasance

If Bonds are tendered to and purchased by the Issuer pursuant to accepted Offers submitted in response to this Invitation, tendering Bondholders will generally recognize a taxable gain or loss, as explained and with the qualifications summarized under “SUMMARY OF CERTAIN FEDERAL INCOME TAX CONSEQUENCES” below.

If Bonds are not tendered to and purchased by the Issuer pursuant to accepted Offers submitted in response to this Invitation, Second Lien Bonds must be defeased if any Bonds are tendered and purchased, and Senior Lien Bonds may be defeased if the Issuer is able to and elects to sell and deliver Taxable Refunding Bonds to defease all or a portion of Senior Lien Bonds not tendered and purchased. In general, Bondholders will not recognize gain or loss as a result of the defeasance of Bonds, as explained and with the qualifications summarized under “SUMMARY OF CERTAIN FEDERAL INCOME TAX CONSEQUENCES” below.

Treatment of Bonds Not Purchased Pursuant to Offers

If Bonds are not tendered to and purchased by the Issuer pursuant to accepted Offers submitted in response to this Invitation, but rather are defeased, they will remain outstanding, but backed by the credit of escrowed obligations of or guaranteed by the U.S. Treasury maturing as to principal and interest at times and in amounts determined to be sufficient to pay when due the principal of or maturity amount, as applicable, and interest on such

Bonds to, and to redeem such Bonds on, the first date on which they may be redeemed at the option of the Issuer, as specified inside the cover page.

If Bonds of any CUSIP are purchased by the Issuer pursuant to accepted Offers submitted in response to this Invitation, the principal amount (or, in the case of CABs, maturity amount) of Bonds of such CUSIP to remain outstanding will be reduced, which could adversely affect the liquidity and consequent market value of such Bonds.

If the Issuer is unable or chooses not to consummate a refunding of Bonds of any CUSIP by purchasing Bonds tendered with accepted Offers on or around the Settlement Date, such Bonds will remain outstanding and subject to payment risks. If the Issuer is unable to defease Second Lien Bonds, or is unable or chooses not to defease Senior Lien Bonds of any CUSIP, that are not purchased and cancelled pursuant to Offers, then such Bonds will remain outstanding and subject to payment risks. In addition, *the lien securing Senior Lien Bonds that are not purchased or defeased will secure a substantially greater principal amount of Issuer bonds than are currently secured, if the Tax-Exempt Refunding Bonds and Taxable Senior Lien Refunding Bonds are issued.*

Information relevant to payment risks is included in the Preliminary Official Statement.

Offers May be Required to Refund Bonds

While the Issuer desires and intends to refund all or a substantial part of the Bonds on or around the Settlement Date in order to reduce near-term debt service requirements to a level that it is more likely to be able to pay, its ability to refund the Bonds may depend on (a) market conditions when the Refunding Bonds are sold (including both the yield at which Refunding Bonds may be sold and the rate of interest at which proceeds of the Taxable Refunding Bonds may be invested to the maturity of or any earlier redemption date for Bonds), (b) the amount of Bonds tendered for purchase, and (c) the minimum price at or above which Bondholders offer to tender their Bonds. If too few Bondholders offer to sell their Bonds at prices that compare favorably to the cost of defeasing Bonds, then the Issuer may be unable to refund the Bonds, and Bondholders will be left with the risks associated with an investment in the Bonds.

If the Issuer is unable to purchase and/or defease the Bonds on or around the Settlement Date, or if it chooses not then to defease Bonds, it reserves the right, and may in the future decide, to acquire some or all of the Bonds through open market purchases, privately negotiated transactions, subsequent tender offers, exchange offers or otherwise, upon such terms and at such prices as it may determine and to which Bondholders agree, which may be more or less than the Purchase Prices at which it is willing to accept Offers. Any such future acquisition of Bonds may be on the same terms or on terms that are more or less favorable to Bondholders than the terms of this Invitation. Any decision by the Issuer to acquire Bonds in the future and the terms of any such future transactions will depend on various factors existing at that time. There can be no assurance as to which of these alternatives, if any, the Issuer will ultimately choose to pursue in the future, if it does not refund the Bonds with the Refunding Bonds on or around the Settlement Date.

SUMMARY OF CERTAIN FEDERAL INCOME TAX CONSEQUENCES

The following is a general summary of the U.S. federal income tax consequences for Bondholders whose Bonds are (a) purchased pursuant to Offers submitted in response to this Invitation or (b) not purchased pursuant to Offers and, accordingly, are defeased with proceeds of the Taxable Refunding Bonds.

The following summary is based on the Internal Revenue Code of 1986, as amended (the “**Code**”), the Treasury Regulations (the “**Regulations**”) promulgated thereunder, and relevant rulings and decisions now in effect, all of which are subject to change or differing interpretations. No assurances can be given that future changes in U.S. federal income tax laws will not alter the conclusions reached herein. The summary does not purport to deal with U.S. federal income tax consequences applicable to all categories of investors. Further, the summary does not address all aspects of U.S. federal income taxation that may be relevant to a particular Bondholder in light of the Bondholder’s particular circumstances or to certain types of Bondholders subject to special treatment under U.S. federal income tax laws (including individuals who are neither citizens nor residents of the United States; foreign corporations, trusts and estates, in each case as defined for U.S. federal income tax purposes; insurance companies; tax-exempt organizations; financial institutions; brokers-dealers; partnerships and other entities classified as partnerships for U.S. federal income tax purposes; and persons who have hedged the risk of owning Bonds). Tendering Bondholders should note that no rulings have been or will be sought from the Internal Revenue Service (the “**IRS**”), and no assurance can be given that the IRS will not take contrary positions, with respect to any of the U.S. federal income tax consequences summarized below. This U.S. federal income tax summary is included for general information only and should not be construed

as a tax opinion or tax advice by the Issuer (or any of its advisors or agents) to Bondholders, and Bondholders therefore should not rely upon such summary.

BONDHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS TO DETERMINE THE U.S. FEDERAL, STATE, LOCAL, FOREIGN AND ANY OTHER TAX CONSEQUENCES TO THEM FROM THEIR SALE OF BONDS TO THE ISSUER PURSUANT TO ACCEPTED OFFERS SUBMITTED IN RESPONSE TO THIS INVITATION AND THE DEFEASANCE OF BONDS NOT SOLD TO THE ISSUER.

A Bondholder who sells Bonds to the Issuer pursuant to accepted Offers submitted in response to this Invitation will generally recognize gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the (1) the amount realized by the Bondholder (exclusive of Accrued Interest) and (2) the Bondholder's adjusted tax basis in such Bonds.

Any gain or loss arising in connection with a sale of Bonds pursuant to an accepted Offer submitted in response to this Invitation may be capital gain or loss (either long-term or short-term, depending on the Bondholder's holding period for such Bonds) or may be ordinary income or loss, depending on the particular circumstances of the tendering Bondholder. Non-corporate holders may be eligible for reduced rates of U.S. federal income tax on long-term capital gains. The deductibility of capital losses is subject to various limitations.

Under section 3406 of the Code, a tendering Bondholder who is a "United States person," as defined in section 7701(a)(30) of Code, may, under certain circumstances, be subject to U.S. federal backup withholding. Backup withholding applies if such tendering Bondholder: (i) fails to furnish such Bondholder's social security number or other taxpayer identification number ("**TIN**"); (ii) furnishes an incorrect TIN; (iii) fails to report properly interest, dividends, or other "reportable payments" as defined in the Code; or (iv) under certain circumstances, fails to provide a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such Bondholder is not subject to backup withholding. Bondholders should consult their own tax advisors to determine whether backup withholding applies to them and, if it does, to determine whether they qualify for an exemption from backup withholding and the procedures for obtaining such an exemption. Backup withholding is not an additional tax. Any amounts deducted and withheld from the purchase price paid for a Bond should generally be allowed as a credit against the Bondholder's U.S. federal income tax liability.

A Bondholder who fails to offer and sell Bonds to the Issuer, but whose Bonds are defeased, will generally not recognize gain or loss on account of the defeasance. The defeasance of a Bond will not be treated as a significant modification of the terms of the Bond under the Code and Regulations, because the defeasance will occur by operation of the terms of the Bond and the obligations placed in escrow to provide for payment of the defeased Bonds will be reasonably expected to provide principal and interest payments sufficient to satisfy the payment obligations under the defeased Bonds. Accordingly, any defeasance of a Bond will generally not be regarded as an exchange or other disposition of the Bond, so a Bondholder's unrealized gain or loss generally would not be taxed until the Bond is redeemed, sold, or otherwise disposed of in a taxable transaction.

DEALER MANAGER

The Issuer has retained Wells Fargo Bank, National Association to act on its behalf as Dealer Manager for this Invitation. Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Finance Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

The Issuer has agreed to pay the Dealer Manager as compensation for services as Dealer Manager a fee of \$2.25 for each \$1,000 in principal amount or maturity amount, as applicable, of Bonds tendered pursuant to this Invitation and to reimburse the Dealer Manager for its reasonable out-of-pocket costs and expenses relating to this Invitation. The Dealer Manager fee and expenses will be paid from the proceeds of the bonds that will be issued in part to fund the purchase of any tendered Bonds. References in this Invitation to the Dealer Manager are to Wells Fargo only in its capacity as the Dealer Manager.

The Dealer Manager may contact Bondholders regarding this Invitation and may request brokers, dealers, custodian banks, depositories, trust companies and other nominees to forward this Invitation to beneficial owners of Bonds.

The Dealer Manager and its affiliates together comprise a full-service financial institution engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Dealer Manager and its affiliates may have, from time to time, performed and may in the future perform, various investment banking services for the Issuer for which they received or will receive customary fees and expenses. In the ordinary course of their various business activities, the Dealer Manager and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities and financial instruments which may include bank loans and/or credit default swaps) for their own accounts and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment securities activities may involve securities and instruments of the Issuer, including the Bonds. As of the date of this Invitation, the public finance department of the Dealer Manager does not hold any Bonds. Affiliates of the Dealer Manager may have holdings of Bonds that they are unable to disclose for legal or regulatory reasons.

In addition to its role as Dealer Manager for the Bonds, Wells Fargo is also serving as an underwriter of the Issuer's offering of the Refunding Bonds as described in the Preliminary Official Statement.

The Dealer Manager is not acting as a financial or municipal advisor to the Issuer in connection with this Invitation.

TENDER AGENT

The Issuer has retained Globic Advisors to serve as Tender Agent for this Invitation. the Issuer has agreed to pay the Tender Agent customary fees for its services and to reimburse the Tender Agent for its reasonable out-of-pocket costs and expenses relating to this Invitation and accepted Offers.

MISCELLANEOUS

No one has been authorized by the Issuer, the Dealer Manager, or the Tender Agent to recommend to any Bondholder whether to offer to sell and tender Bonds pursuant to this Invitation or the amount of Bonds to offer or the minimum price at above which they are offered. No one has been authorized to give any information or to make any representation in connection with this Invitation other than those contained in this Invitation and as described under "Section 13—Information to Bondholders" herein. No such recommendation, information or representation may be relied upon as having been authorized by the Issuer, the Dealer Manager or the Tender Agent.

Neither the Issuer nor the Dealer Manager nor the Tender Agent makes any recommendation that any Bondholder offer to sell at any price and tender (or refrain from offering and tendering) all or any portion of such Bondholder's Bonds. Bondholders must make these decisions and should read this Invitation and consult with their brokers, account executives, financial advisors and/or other professionals in doing so.

Investors with questions about this Invitation should contact the Dealer Manager or the Tender Agent. The contact information for the Dealer Manager and the Tender Agent is as follows:

The Dealer Manager for this Invitation is:

WELLS FARGO SECURITIES

Jim Perry: (601) 760-1999

John Young: (713) 805-9284

The Tender Agent for this Invitation is:

Globic Advisors

485 Madison Avenue, 7th Floor

New York, New York 10022

Tel: (212) 227-9622

Attn: Robert Stevens

Email: rstevens@globic.com

Document Website: www.globic.com/hchsa

EXHIBIT G-2
TENDER AGENT AGREEMENT
(see Tab 36)

August 25, 2020

J. Kent Friedman
Chairman of the Board
Harris County Houston Sports Authority
701 Avenida De Las Americas #450,
Houston, TX 77003

Re: Bondholder Identification, Information and Tender Agent

Harris County, TX (Houston Sports Authority)

**CUSIPs: 413890BC7, 413890BD5, 413890CV4, 413890CW2, 413890CX0,
413890CY8, 413890DW1, 413890DX9, 413890DY7, 413890DZ4, 413890FV1,
413890FW9, and 413893CG1**

Dear Mr. Friedman:

It would be our pleasure to assist you to execute a tender offer for the above listed bonds by acting as your Information and Tender Agent. We look forward to working with you and your colleagues and are well equipped to execute this offer as your Agent.

Service Schedule

A. Bondholder Identification

We will research the relevant issues in order to develop a Beneficial Holder Identification Report. Globic Advisors ("Globic") will use its best efforts to identify the maximum number of holders with positions in the Bonds, including holders who hold their Bonds in "Street Name".

It is understood that any and all contact with the holders will be conducted in a manner authorized by the issuer for the sole purpose of performing the Holder Identification Study. It is further understood that Globic will execute and not deviate from the legal and the customary procedures governing the accumulation of holder information, whether it be confidentiality laws governing certain jurisdictions or the right of holders to choose not to divulge their information.

B. Information Agent

Upon launch of the tender, Globic will be responsible for the following:

- Providing assistance in developing the mechanical aspects of the offer strategy, taking into consideration known holder information;
- Providing assistance in crafting the language to be used in communicating the offer to the beneficial holders;
- Coordinating between the client and any printers/copy shops necessary for printing associated documents/materials necessary to effectuate the transaction;

- Transmitting the offer to the registered holders and beneficial owners along with their respective bank and brokers;
- Providing a help-line to handle questions from the Beneficial Holders, Custodians, Clearing Systems, and any other Intermediaries;
- Disseminating any notices during the tender period including the acceptance and settlement of the offer; and
- Setting up a dedicated section of the Globic Website detailing offer-related information, such as deadlines, document downloads, etc.

C. Tender Agent

Throughout the tender period, Globic will be responsible for the following:

- Setting up and remaining responsible for all operational relationships with the Depository Trust Company (“DTC”), including establishing an Automated Tender Offer Program (ATOP) account for the deal;
- If necessary, coordinating with Euroclear, Clearstream and any other foreign clearing systems regarding the mechanical receipt of tender instructions;
- Monitoring the ATOP account and reporting of results received by producing specialized reports throughout the offer period on an intra-day basis, analyzing available data to support continuous decision-making;
- Comparing tender instructions received with known holder data and new market data in order to track movements in the holder population throughout the tender period, as well as to identify any possible tender ‘hold-outs’;
- Dialoguing with Nominee back-offices in order to provide the working group with behind the scenes information on pending tenders; and
- Coordinating with the Trustee and DTC, or any other clearing system as necessary to assure a successful settlement of the offer.

Professional Fees and Out-of-Pocket Expenses

Bondholder Identification:	\$ 3,000
Information Agent:	\$ 6,000
Tender Agent:	\$ 6,000
Dutch Auction:	\$ 400 per CUSIP
Second Look (If Necessary):	\$ 200 per CUSIP

Our fees will be charged at the rate as listed above, unless the scope of our engagement varies from the schedule as set forth above.

Out-of-pocket expenses and additional services will be separately billed at cost and are payable by you. Costs to print and mail (if necessary) may be payable directly by the client. Printing and mailing estimates are not included in our quote for service fees.

Processing fees of the Depository Trust Company are not included in our quote for service fees. DTC as holder of the global, book-entry certificate has begun to stipulate that events processed via their Automated Tender Offer Program (ATOP) System be subject to DTC's 'late notification' fees should the offer be announced with less than ten days (\$2,000 per CUSIP) or five days (\$5,000 per CUSIP) in the offer period. In the event of proration at settlement, DTC may charge a fee to calibrate allocation manually.

Confidentiality

We understand the confidential nature of this project. Accordingly, we will keep our work strictly confidential. Any data gathered will be made available to the issuer/obligor, its advisors or persons identified by you, as specifically directed in writing. Globic agrees to preserve the confidentiality of all non-public information provided by the client or its agents for Globic's use in fulfilling its obligations.

Representations by Globic

Globic hereby verifies that Globic does not boycott Israel and will not boycott Israel through the term of this agreement. For purposes of this paragraph, (i) "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; and (ii) "Globic" means Globic and any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of Globic.

Globic hereby verifies that as of the Closing Date, Globic (i) does not engage in business with Iran, Sudan or any foreign terrorist organization as described in Subchapter F of Chapter 2252 of the Texas Government Code, and (ii) is not a company listed by the Texas Comptroller under Sections 2270.021 or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" as used in this paragraph 9 has the meaning assigned to such term in section 2252.151 of the Texas Government Code. For purposes of this paragraph, "Globic" means Globic and any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of Globic.

Unless otherwise exempt, Globic represents that it has submitted to the Issuer, a disclosure of interested parties form (the "Disclosure Form"), which was completed and filed with the Texas Ethics Commission (the "TEC") in accordance with the provisions of Section 2252.908, Texas Government Code, and the applicable rules adopted by the TEC (found at 1 Tex. Admin. Code § 46.1 - 46.5).

Sincerely,

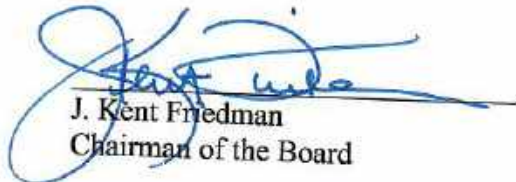


Robert Stevens
President

To: Globic Advisors

Please proceed with the execution of the services as described in this letter.

By: Harris County Houston Sports Authority


J. Kent Friedman
Chairman of the Board

8/20/20
Date

EXHIBIT G-3
DEALER MANAGER AGREEMENT
(see Tab 37)

DEALER MANAGER AGREEMENT

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

SENIOR LIEN REVENUE
REFUNDING BONDS,
SERIES 2001A (CABS)

SENIOR LIEN REVENUE
REFUNDING BONDS,
SERIES 2014A

SECOND LIEN REVENUE
REFUNDING BONDS,
SERIES 2014C

September 8, 2020

WELLS FARGO BANK, NATIONAL ASSOCIATION
As Dealer Manager,

Ladies and Gentlemen:

The Harris County-Houston Sports Authority (the “Sports Authority”), a political subdivision of Harris County, Texas, the City of Houston, Texas and the State of Texas (the “State”), duly organized and existing under the Constitution and laws of the State, plans to commence a tender offer for any and all of its outstanding above-referenced bonds (the “Securities”) under the respective indentures and resolutions under which the Securities were issued (together the “Indenture”) (such tender offer being collectively referred to herein as the “Tender Offer”), upon the terms and subject to the conditions set forth in the invitation to tender and the information contained in the Preliminary Official Statement, including any amendments or supplements thereto (the “Offer Material”), which the Sports Authority has caused to be prepared and furnished to the Dealer Manager on or prior to the date hereof for use in connection with the Tender Offer. Any other offering materials and information relating to the Tender Offer (including, without limitation, any roadshow or investor presentation, if any, which may be in electronic form, advertisements, if any, press releases or summaries relating to the Tender Offer and any forms of letters to brokers, securities dealers, commercial banks, trust companies and other nominees relating to the Tender Offer) that the Sports Authority may prepare, cause to be prepared or approve, including any amendments or supplements thereto, shall be called “Additional Material.” Any reference in this Dealer Manager Agreement (this “Agreement”) to the Offer Material or Additional Material shall be deemed to refer to and include any document incorporated by reference therein as of the date thereof. Capitalized terms not defined herein shall have the meanings ascribed to them in the Preliminary Official Statement.

1. Appointment of Dealer Manager

The Sports Authority hereby appoints Wells Fargo Bank, National Association as its exclusive dealer manager in connection with the Tender Offer (the “Dealer Manager”) and authorizes the Dealer Manager to act on its behalf in accordance with this Agreement and the terms of the Offer Material and Additional Material. On the basis of the representations, warranties, covenants and agreements contained herein, the Dealer Manager hereby accepts such appointment upon the terms and subject to the conditions set forth herein. The Sports Authority has approved the Offer Material and Additional Material and authorizes the Dealer Manager and any other

brokers, securities dealers, commercial banks, trust companies and other nominees to use the Offer Material and Additional Material in connection with the solicitation of tenders. The Dealer Manager agrees to furnish no written material to Registered or Beneficial Owners of Securities in connection with the Tender Offer other than the Offer Material and Additional Material. The Dealer Manager agrees, in accordance with its customary practice, to perform services in connection with the Tender Offer as are customarily performed in connection with tender offers of like nature.

2. Dealer Manager is Not a Fiduciary or Municipal Advisor

It is understood that nothing in this Agreement nor the nature of the services provided hereunder shall be deemed to create a fiduciary or agency relationship between the Dealer Manager and the Sports Authority. The Sports Authority acknowledges and agrees that: (i) the Dealer Manager has been retained in the capacity of an arm's length contractual counterparty to the Sports Authority and is not acting as a municipal advisor (as defined in Section 975(c) of the Dodd Frank Wall Street Reform and Consumer Protection Act), financial advisor, or fiduciary to the Sports Authority and has not assumed any advisory or fiduciary responsibility to the Sports Authority with respect to the Tender Offer and the discussions, undertakings and procedures leading thereto (irrespective of whether the Dealer Manager has provided other services or is currently providing other services to the Sports Authority on other matters); (ii) the only obligations the Dealer Manager has to the Sports Authority with respect to the Tender Offer expressly are set forth in this Agreement; and (iii) the Sports Authority has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate in connection with the Tender Offer and the issuance of the Refunding Bonds (defined below) necessary to fund the Tender Offer. The Sports Authority will be responsible for making its own independent investigation and appraisal of the terms of the Tender Offer, including the cash consideration, and the Dealer Manager shall have no responsibility or liability to the Sports Authority. The Sports Authority acknowledges that the Offer Material and Additional Material have been or will be prepared and approved by, and are the sole responsibility of, the Sports Authority, except for any statements or omissions made in reliance upon and in conformity with the Dealer Manager.

3. Preliminary Official Statement

The Sports Authority has prepared a preliminary official statement, dated the date hereof (the "Preliminary Official Statement") to be used in connection with the sale and offer of its Senior Lien Revenue Refunding Bonds, Series 2020A, Taxable Senior Lien Revenue Refunding Bonds, Series 2020B and Taxable Second Lien Revenue Refunding Bonds, Series 2020C (the "Refunding Bonds") and the other Offer Material, setting forth information concerning the Sports Authority and the terms and conditions of the Tender Offer, respectively. The Sports Authority agrees to cause the Preliminary Official Statement and the other Offer Material to be filed with the Electronic Municipal Market Access system ("EMMA") maintained by the Municipal Securities Rulemaking Board ("MSRB"). The Sports Authority represents and warrants that the Preliminary Official Statement has been deemed final as of its date, except for the omission of not more than the information permitted by Rule 15c2-12 (the "Rule") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Sports Authority will deliver to the Dealer Manager the final official statement (the "Official Statement") and cause the Official Statement to be filed

with EMMA. The Preliminary Official Statement and the other Offer Material have been prepared by the Sports Authority for use by the Dealer Manager in connection with the Tender Offer.

4. Mailing of Offer Material

The Sports Authority has selected Globic Advisors to serve as the information and tender agent (the “Information Agent”), with respect to matters relating to the Tender Offer. The Sports Authority, with the assistance of the Information Agent, shall cause to be delivered to each registered holder of any Securities, to each participant in the Depository Trust Company (“DTC”) appearing in the most recent available DTC securities position listing as a holder of Securities and to each known holder, a “Registered or Beneficial Owner”, as soon as practicable, by hand, by overnight courier or electronic means, by another means of expedited delivery (unless First Class USPS is deemed adequate), copies of appropriate Offer Material and Additional Material. Thereafter, to the extent practicable until the expiration of the Tender Offer, the Sports Authority shall use its best efforts to cause copies of such material to be mailed to each person who becomes a Registered or Beneficial Owner of Securities. The Sports Authority authorizes the Dealer Manager to communicate with the Information Agent. The Sports Authority has instructed or will instruct the Information Agent to advise the Dealer Manager at least daily in written reports as to the principal amount of the Securities that have been validly tendered and not validly withdrawn pursuant to the Tender Offer and such other matters in connection with the Tender Offer as Dealer Manager may reasonably request.

5. Solicitation of Tenders

(a) The Dealer Manager agrees to use customary reasonable efforts to solicit tenders of Securities pursuant to the Tender Offer. To the extent permitted by law, neither the Dealer Manager nor any its affiliates, nor any partners, directors, officers, agents, employees or controlling persons (if any) of the Dealer Manager or any of its affiliates, shall have any liability to the Sports Authority or any other person for any act or omission on the part of any broker, securities dealer (other than the Dealer Manager), commercial bank or trust company that solicits tenders, and neither the Dealer Manager nor any of such persons or entities referred to above shall have any liability to the Sports Authority or any person asserting claims on behalf of or in right of the Sports Authority in connection with or as a result of either the engagement with the Dealer Manager or any matter referred to in this Agreement except to the extent that such liability results from the Dealer Manager’s own negligence or bad faith in performing the services that are the subject of this Agreement. In soliciting tenders, no broker or securities dealer (other than the Dealer Manager), commercial bank or trust company shall be deemed to act as the Dealer Manager’s agent or the agent of the Sports Authority, and the Dealer Manager, shall not be deemed the agent of any other broker, securities dealer or of any commercial bank or trust company.

(b) The Sports Authority agrees to cause to be furnished to the Dealer Manager as many copies as the Dealer Manager may reasonably request of the Offer Material and Additional Material in final form for use by the Dealer Manager in connection with the Tender Offer. The Sports Authority shall not amend or supplement the Offer Material, or prepare or approve any Additional Material for use in connection with the Tender Offer, without the Dealer Manager’s consent, which consent shall not be unreasonably withheld.

(c) The Sports Authority agrees to advise the Dealer Manager promptly of (i) the occurrence of any event which could cause the Sports Authority to withdraw, rescind, terminate or modify the Tender Offer, (ii) any proposal or requirement to amend or supplement the Offer Material or Additional Material or (iii) any other information relating to the Tender Offer which the Dealer Manager may from time to time reasonably request.

(d) The Sports Authority will not use or publish any material in connection with the Tender Offer, or refer to the Dealer Manager in any such material, without the Dealer Manager's consent, which consent shall not be unreasonably withheld. The Sports Authority will promptly inform the Dealer Manager of any litigation or administrative action or claim with respect to the Tender Offer.

(e) The Sports Authority agrees to furnish to the Dealer Manager, to the extent the same is available to the Sports Authority, cards, records or lists or copies thereof in such form as Dealer Manager may reasonably request showing the names and addresses of, and principal amount of Securities held by, the Registered or Beneficial Owners of Securities as of a recent date, and shall use its best efforts to advise the Dealer Manager from day to day during the period of the Tender Offer as to any changes in identity of the Registered or Beneficial Owners of Securities. The Dealer Manager agrees to use such information only in connection with the Tender Offer and not to furnish such information to any other person except in connection with the Tender Offer.

(f) The Sports Authority shall arrange for the Information Agent to orally inform the Dealer Manager during each business day during the Tender Offer (to be followed on a daily basis by written confirmation) as to the principal amount of Securities which Registered or Beneficial Owners have accepted the tender pursuant to the Tender Offer during the interval since its previous daily report to you under this provision, and the names and addresses of any Registered or Beneficial Owner tendering \$50,000 or more aggregate principal amount of Securities.

6. Acceptance of Tenders

The Sports Authority shall have sole authority for the acceptance or rejection of any and all tenders of the Securities.

7. Compensation and Expenses

(a) The Sports Authority shall pay to Dealer Manager, as compensation for services as Dealer Manager, a fee of \$2.25 for each \$1,000 principal amount of Securities (or accreted value for any Securities that are capital appreciation bonds) tendered and purchased by the Sports Authority pursuant to the Tender Offer. The foregoing fee shall be payable concurrently with the payment for Securities under the Tender Offer, or such other date as may be agreed to by the Company and Dealer Manager. The Dealer Manager fee and expenses will be paid from the proceeds of the Series 2020 Bonds issued by the Sports Authority to fund the Tender Offer.

(b) Whether or not any Securities are tendered pursuant to the Tender Offer, the Sports Authority shall pay (i) all expenses of the preparation, printing, mailing and publishing of the Offer Material and Additional Material, (ii) all fees and expenses of the Information Agent, (iii) all fees payable to brokers and securities dealers (including the Dealer Manager), commercial banks, trust companies and nominees as reimbursement of their customary mailing and handling expenses

incurred in forwarding the Offer Material and Additional Material to their customers, (iv) all fees and expenses of DTC, the trustee under the Indenture and any other information agent, (v) all advertising charges, (vi) any applicable transfer taxes payable in connection with the Tender Offer, (vii) the fees and expenses of the accountants of the Sports Authority and the fees and expenses of counsel for the Sports Authority and (viii) all other expenses in connection with the Tender Offer or otherwise in connection with the performance of Dealer Manager's services hereunder (including, without limitation, all reasonable fees and disbursements of Dealer Manager's outside legal counsel).

8. Representations, Warranties and Covenants by the Sports Authority

The Sports Authority represents and warrants to, and agrees with, the Dealer Manager that:

(a) The Sports Authority is a validly created and existing sports and community venue district organized pursuant to Chapters 334 and 335, Texas Local Government Code and is a political subdivision of the State, Harris County, Texas, and the City of Houston, Texas, duly created, existing and acting under the provisions of the Constitution and laws of the State and has full legal right, power and authority to enter into this Agreement.

(b) The Sports Authority has the requisite power and the Sports Authority and has duly taken all necessary action to authorize the making and consummation of the Tender Offer (including any related borrowings or other provisions for the payment for Securities by the Sports Authority), the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby; and this Agreement has been duly executed and delivered by, and constitutes a valid and binding agreement of, the Sports Authority, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles.

(c) The Offer Material and Additional Material comply and (as amended or supplemented, if amended or supplemented) will comply in all material respects with all applicable requirements of the federal securities laws; and the Offer Material and Additional Material do not and (as amended or supplemented, if amended or supplemented) will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(d) The making and consummation of the Tender Offer (including any related borrowings or other provisions for the payment for Securities by the Sports Authority), the execution, delivery and performance by the Sports Authority of this Agreement and the consummation of the transactions contemplated hereby do not and will not (i) conflict with, or result in the acceleration of any obligation under or in a breach of, or constitute a default under, any of the provisions of any Indenture, agreement or undertaking to which the Sports Authority is a party or by which it is bound or to which any of its property or assets is subject, (ii) result in any violation of the laws of the State, or (iii) contravene any federal, state or local law, rule or regulation applicable to the Sports Authority, or any order applicable to the Sports Authority of

any court or of any other governmental agency or instrumentality having jurisdiction over it or any of its property.

(e) No consent, approval, authorization or order of, or registration, qualification or filing with, any court or regulatory or other governmental agency or instrumentality is required in connection with the making and consummation of the Tender Offer (including any related borrowings or other provisions for the payment for Securities by the Sports Authority), the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby.

(f) Subject to the terms of Section 6 hereof, the Sports Authority will accept the tendered Securities and have available funds to pay the cash consideration payable to Registered or Beneficial Owners of the Securities that are tendered. The Sports Authority is authorized to use such funds under applicable law to pay the cash consideration of the Securities that it may become committed to purchase pursuant to the Tender Offer and all related fees and expenses.

(g) Subject to the terms of Section 6 hereof, the Sports Authority agrees to pay promptly, in accordance with the terms and subject to the conditions of the Offer Material and Additional Material, such full purchase price and all related fees and expenses, in connection with the Tender Offer and issuance of the Refunding Bonds by the Sports Authority necessary to fund the Tender Offer. The Sports Authority shall cause the tendered Securities to be cancelled and retired promptly following the completion of the Tender Offer.

(h) From the date of this Agreement to the delivery date of the Refunding Bonds (the "Closing Date"), the Sports Authority will advise the Dealer Manager promptly, after it receives notice, or otherwise becomes aware, of (1) the occurrence of any event that could reasonably be expected to cause the Sports Authority to withdraw, rescind or terminate the Tender Offer, (2) the occurrence of any event, or the discovery of any fact, the occurrence or existence of which would require the making of any change in any of the Offer Material or Additional Material then being used so that such material would not be untrue or inaccurate in any material respect or would cause any representation or warranty contained in this Agreement to be untrue or inaccurate in any material respect or as a result of which the Offer Material or Additional Material as then supplemented would include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein in the light of the circumstances under which they were made not misleading, (3) any proposal by the Sports Authority or any legal requirement to make, amend or supplement any Offer Material or Additional Material, and (4) any material developments concerning the Sports Authority or the Tender Offer, including, without limitation, the commencement of any lawsuit concerning the Sports Authority and the Tender Offer. The Sports Authority agrees to inform the Dealer Manager of the dissemination of any amendment or supplement to the Preliminary Official Statement or the Official Statement. The Sports Authority agrees to provide the Dealer Manager with any other information relating to the Tender Offer, the Offer Material and Additional Material or this Agreement that the Dealer Manager may from time to time reasonably request.

(i) The Sports Authority agrees that, within a reasonable time prior to filing with EMMA, or sending to any Registered or Beneficial Owner of the Securities, any Offer Material and Additional Material, or any amendments or supplements thereto, it will submit copies of such

materials to the Dealer Manager and will not use, permit the use of or file such materials with EMMA to which the Dealer Manager reasonably objects. In the event that the Sports Authority uses or permits the use of, or files with EMMA, any Offer Material and Additional Material, or any amendments or supplements thereto (i) which have not been submitted to the Dealer Manager for comment, or (ii) with respect to which the Dealer Manager reasonably objects, then the Dealer Manager shall be entitled to withdraw as Dealer Manager in connection with the Tender Offer without any liability or penalty and without loss of any right to the payment of all fees and expenses payable hereunder which have accrued or been incurred to the date of such withdrawal.

(j) The Sports Authority will advise the Dealer Manager promptly upon (i) the occurrence of any downgrading or (ii) its receipt of notice of any downgrading, any intended or potential downgrading or any surveillance or review or any changed outlook in the rating accorded to the Securities by any “nationally recognized statistical rating organization,” as such term is defined in Section 3(a)(62) of the Exchange Act.

(k) The Sports Authority will comply with the applicable antifraud provisions of the Exchange Act in conducting the Tender Offer and the payment of the cash consideration as contemplated in the Offer Material and Additional Material, each as amended or supplemented.

9. Conditions of Obligation

The obligation to act as Dealer Manager hereunder shall at all times be subject, in the Dealer Manager’s discretion, to the conditions that:

(a) All representations, warranties and other statements of the Sports Authority contained herein are now, and at all times during the period of the Tender Offer (including as of the Closing Date) shall be, true and correct in all material respects.

(b) The Sports Authority at all times during the Tender Offer shall have performed in all material respects all of its obligations hereunder theretofore required to have been performed and the statements of the Sports Authority and its officers made in any certificates delivered pursuant to this Agreement shall be true and correct.

(c) On the Closing Date, Norton Rose Fulbright US LLP, and Hardwick Law Firm, LLC, Co-Bond Counsel shall have furnished their supplemental opinion(s), dated as of the Closing Date, addressed to the Dealer Manager in substantially the form set forth in the bond purchase agreement for the Series 2020A Bonds.

(d) On the Closing Date, Bracewell LLP and West & Associates, L.L.P. (co-counsel to the Dealer Manager) shall have furnished to the Dealer Manager their negative assurance letter with respect to the Preliminary Official Statement as of the date hereof and the Official Statement as of the Closing Date, in substantially the form set forth in Exhibit A attached hereto .

(e) On the Closing Date, each of Orrick Herrington & Sutcliffe LLP and The Law Office of Wendy Montoya Cloonan, PLLC (co-special disclosure counsel to the Sports Authority) shall have furnished to the Dealer Manager, their negative assurance letter, with respect to the

Preliminary Official Statement as of the date hereof and Official Statement as of the Closing Date, in substantially the form set forth in Exhibit B attached hereto.

(f) On the Closing Date, a certificate of an authorized officer of the Sports Authority with specific knowledge about the financial matters of the Sports Authority, satisfactory to the Dealer Manager, in which such officer, to the best of his or her knowledge after reasonable investigation, shall state that (i) the representations and warranties in this Agreement are true and correct in all material respects as of the date hereof and as of the Closing Date; (ii) the Sports Authority has complied in all material respects with all agreements and satisfied all conditions on their part to be performed or satisfied hereunder at or prior to the Closing Date; and (iii) there has not been any event or development with respect to the Sports Authority that would reasonably be expected to result in a material adverse change, other than as set forth or contemplated by the Preliminary Official Statement and the Official Statement.

(g) No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would prevent the making or consummation of the Tender Offer or the payment of the cash consideration, or prevent the Dealer Manager from rendering services pursuant to this Agreement or continuing so to act, as the case may be; and no injunction or order of any federal, state or foreign court or regulator shall have been issued that would prevent the making or consummation of the Tender Offer, the payment of the cash consideration or the use of the Preliminary Official Statement and the Official Statement, or prevent the Dealer Manager from rendering services pursuant to this Agreement or continuing so to act, as the case may be.

(h) On or prior to the date hereof and Closing Date, the Sports Authority shall have furnished to the Dealer Manager such further information, certificates and documents as the Dealer Manager may reasonably request.

All opinions, letters, certificates and evidence mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to co-counsel for the Dealer Manager.

10. Indemnity and Survival of Certain Provisions

(a) The Sports Authority agrees, to the extent permitted by applicable law, (i) to indemnify and hold the Dealer Manager harmless against any and all losses, damages, liabilities or claims (or actions or proceedings in respect thereof) (A) other than as to any information provided by or related to Dealer Manager, that arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Offer Material or any Additional Material or any of the documents referred to therein or in any amendment or supplement to any of the foregoing, or that arise out of or are based upon the omission or alleged omission to state therein 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, (B) that arise out of or are based upon any breach by the Sports Authority of any representation or warranty or failure by the Sports Authority to comply with any obligation set forth herein or (C) that arise out of or are based upon a withdrawal, rescission, termination or modification of or a failure to make or consummate the Tender Offer, subject to the terms of Section 6 hereof; and (ii) to indemnify and

hold the Dealer Manager harmless against any and all other losses, damages, liabilities or claims (or actions or proceedings in respect thereof) that otherwise arise out of or are based upon or asserted against the Dealer Manager by any person, in connection with or as a result of acting as the Dealer Manager in connection with the Tender Offer or that arise in connection with any other matter referred to in this Agreement, except to the extent that any such losses, damages, liabilities or claims referred to in this clause (ii) result from the Dealer Manager's negligence or bad faith in performing the services that are the subject of this Agreement. In the event that the Dealer Manager becomes involved in any capacity in any action, proceeding or investigation brought by or against any person, in connection with any matter referred to in this Agreement, the Sports Authority also agrees periodically to reimburse the Dealer Manager for its legal and other expenses (including the cost of any investigation and preparation) incurred in connection therewith. The Sports Authority also agrees that neither the Dealer Manager nor any of its affiliates, nor any partners, directors, officers, agents, employees or controlling persons (if any), as the case may be, of the Dealer Manager or any such affiliates, shall have any liability to the Sports Authority or any person asserting claims on behalf of or in right of the Sports Authority for or in connection with any matter referred to in this Agreement except to the extent that any loss, damage, expense, liability or claim incurred by the Sports Authority results from the Dealer Manager's negligence or bad faith in performing the services that are the subject of this Agreement.

(b) Promptly after receipt by the Dealer Manager of notice of its involvement in any action, proceeding or investigation, the Dealer Manager shall, if a claim in respect thereof is to be made against the Sports Authority under subsection (a) of this Section 10, notify the Sports Authority in writing of such involvement, but the failure so to notify the Sports Authority shall not relieve it from any liability which it may otherwise have to the Dealer Manager under subsection (a) of this Section 10 except to the extent that the Sports Authority suffers actual prejudice as a result of such failure, and in no event shall such failure relieve the Sports Authority from any obligation to provide reimbursement and contribution to the Dealer Manager.

(c) If for any reason the indemnification provided for in subsection (a) of this Section 10 is unavailable or insufficient to hold the Dealer Manager harmless, then, to the extent permitted by applicable law, the Sports Authority shall contribute to the amount paid or payable by the Dealer Manager as a result of such loss, damage, expense, liability or claim (or action in respect thereof) referred to therein in such proportion as is appropriate to reflect the relative benefits of the Sports Authority on the one hand and the Dealer Manager on the other hand in the matters contemplated by this Agreement as well as the relative fault of the Sports Authority and the Dealer Manager with respect to such loss, damage, expense, liability or claim (or action in respect thereof) and any other relevant equitable considerations. The relative benefits of the Sports Authority on the one hand and the Dealer Manager on the other hand in the matters contemplated by this Agreement shall be deemed to be in the same proportion as the maximum aggregate value of the consideration proposed to be paid by the Sports Authority to acquire Securities pursuant to the Tender Offer bears to the maximum aggregate fee proposed to be paid to the Dealer Manager pursuant to Section 7(a) of this Agreement as a result of such acquisition of Securities. The relative fault of the Sports Authority and the Dealer Manager shall be determined by reference to, among other things, (i) whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by, or relating to, the Sports Authority or the Dealer Manager and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission, or (ii) in the case of any action

or omission, whether such action or omission was taken or omitted to be taken by the Sports Authority or by the Dealer Manager and the parties' relative intent, knowledge, access to information, and opportunity to prevent such action or omission. The Sports Authority and the Dealer Manager agree that it would not be just and equitable if contribution pursuant to this subsection (c) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in this subsection (c). The amount paid or payable as a result of the losses, claims, damages, liabilities or expenses referred to in this paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses incurred in connection with investigating or defending any such action or claim.

(d) The agreements contained in Section 7 and in this Section 10 and the representations and warranties of the Sports Authority set forth in Section 8 hereof shall survive any termination or cancellation of this Agreement, any completion of the engagement provided by this Agreement, any investigation made by or on behalf of the Dealer Manager, any of its officers or partners or any person controlling the Dealer Manager, any termination or expiration of the Tender Offer and any acquisition of Securities, whether pursuant to the Tender Offer or otherwise.

(e) The reimbursement, indemnity and contribution obligations of the Sports Authority under this Section 10 shall be in addition to any liability that the Sports Authority may otherwise have, shall extend upon the same terms and conditions to the Dealer Manager's affiliates and the partners, directors, officers, agents, employees and controlling persons (if any), as the case may be, of the Dealer Manager and any such affiliate, and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Sports Authority, the Dealer Manager, any such affiliate and any such other person referred to above. Prior to entering into any agreement or arrangement with respect to, or effecting, any proposed sale or liquidation of all or a significant portion of the Sports Authority's assets in one or a series of transactions or any significant recapitalization or reclassification of its outstanding securities that does not directly or indirectly provide for the assumption of the obligations of the Sports Authority set forth in this Section 10, the Sports Authority will notify the Dealer Manager in writing thereof (if not previously so notified) and, if requested by the Dealer Manager, shall arrange in connection therewith alternative means of providing for the obligations of the Sports Authority set forth in this Section 10, including the assumption of such obligations by another party, insurance, surety bond or the creation of an escrow, in each case in an amount and upon terms and conditions satisfactory to the Dealer Manager.

11. Miscellaneous

(a) This agreement is made solely for the benefit of the Dealer Manager, the Sports Authority and any partner, director, officer, agent, employee, controlling person or affiliate referred to in Section 10 hereof, and their respective successors, assigns, and legal representatives, and no other person shall acquire or have any right under or by virtue of this Agreement. This Agreement may not be assigned by any party hereto without the prior written consent of each other party.

(b) In the event that any provision hereof shall be determined to be invalid or unenforceable in any respect, such determination shall not affect such provision in any other respect or any other provision hereof, which shall remain in full force and effect.

(c) Except as otherwise expressly provided in this Agreement, whenever notice is required by the provisions of this Agreement to be given to (i) the Sports Authority, such notice shall be in writing addressed to the Sports Authority at Partnership Tower, 701 Avenida de las Americas, Suite 450, Houston, TX 77010, Attention: Chief Executive Officer; and (ii) the Dealer Manager, such notice shall be in writing addressed to the Dealer Manager, at 30 Hudson Yards, Floor 62, New York, New York 10001, Attention: Randy Campbell.

(d) This Agreement contains the entire understanding of the parties with respect to Dealer Manager acting as dealer manager for the Tender Offer, superseding any prior agreements with respect thereto and may not be modified or amended except in writing executed by the parties hereto. Section headings herein are for convenience only and are not a part of this Agreement. This Agreement may be executed in any number of separate counterparts, each of which shall be an original, but all such counterparts shall together constitute one and the same agreement.

(e) THIS AGREEMENT AND ANY MATTERS RELATED TO THIS TRANSACTION SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAWS OF THE STATE OF NEW YORK.

Any right to trial by jury with respect to any action or proceeding arising in connection with or as a result of either the Dealer Manager's engagement or any matter referred to in this Agreement is hereby waived by the parties hereto. The Sports Authority agrees that any suit or proceeding arising in respect of this Agreement or our engagement will be tried exclusively in the U.S. District Court for the Southern District of New York or, if that court does not have subject matter jurisdiction, in any state court located in The City and County of New York, and the Sports Authority agrees to submit to the jurisdiction of, and to venue in, such courts. None of the parties hereto shall be responsible or have any liability to any other party for any indirect, special or consequential damages arising out of or in connection with this Agreement or the transactions contemplated hereby, even if advised of the possibility thereof.

(f) The Dealer Manager does not provide accounting, tax or legal advice. The Sports Authority is authorized, subject to applicable law, to disclose any and all aspects of this potential transaction that are necessary to support any U.S. federal income tax benefits expected to be claimed with respect to such transaction, without the Dealer Manager imposing any limitation of any kind.

(g) The Sports Authority acknowledges, that in the ordinary course of various business activities, the Dealer Manager and its respective affiliates may hold a broad array of investments (including the Securities) and actively trade debt securities and participate in debt tender offers, for their own account and for the accounts of their customers and such investment activities may involve the Securities, including in connection with the acceptance or rejection of the Tender Offer. The Sports Authority also acknowledges that the Dealer Manager and its respective affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the Sports Authority (including underwriting the sale of the Refunding Bonds), for which it has received or will receive customary fees and expenses. As of the date of this Agreement, the Dealer

Manager does hold Securities. One or more of the affiliates of the Dealer Manager may own or hold the Securities for its own account or the account of its customers. The Dealer Manager has not engaged any affiliates in any manner related to the Tender Offer. To the extent they hold any of the Securities, these affiliates would be engaged like any other investor or holder of the Securities.

(h) The Sports Authority acknowledges receipt from the Dealer Manager of evidence satisfactory to the Sports Authority regarding the Dealer Manager's exemption from the requirements of Section 2252.908, Texas Government Code, as amended.

(i) The Dealer Manager represents that, to the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2271.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2271 of the Texas Government Code, and subject to applicable federal law, including without limitation 50 U.S.C. Section 4607, neither the Dealer Manager, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Dealer Manager (i) boycotts Israel or (ii) will boycott Israel through the term of this Agreement. The terms "boycotts Israel" and "boycott Israel" as used in this paragraph mean 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.

(j) The Dealer Manager represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of compliance with Section 2252.152 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Dealer Manager, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Dealer Manager (i) engages in business with Iran or Sudan in violation of United States law, or any foreign terrorist organization as described in Chapters 806 or 807 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" in this paragraph means an organization designated as a foreign terrorist organization by the United States secretary of state as authorized by 8 U.S.C. Section 1189.

[Signature Page Follows]

Please sign and return to us a duplicate of this letter, whereupon it will become a binding agreement.

Very truly yours,

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY



By: _____
Title: _____

The undersigned hereby confirms that the foregoing letter, as of the date thereof, correctly sets forth the agreement between the Sports Authority and the undersigned.

WELLS FARGO BANK, NATIONAL ASSOCIATION


By:  _____
Name: Jim Perry
Title: Managing Director

Exhibit A

Form of Opinion

_____, 2020

Wells Fargo Bank, National Association
Estrada Hinojosa & Company, Inc.
Morgan Stanley & Co. LLC
as Underwriters of the Bonds
c/o Wells Fargo Bank, National Association
1000 Louisiana Street, Suite 600
Houston, Texas 77056

Wells Fargo Bank, National Association
as Dealer Manager
1000 Louisiana Street, Suite 600
Houston, Texas 77056

Re: \$_____ Senior Lien Revenue Refunding Bonds, Series 2020A, \$_____
Taxable Senior Lien Revenue Refunding Bonds, Series 2020B and \$_____ Taxable
Second Lien Revenue Refunding Bonds, Series 2020C (collectively, the “Bonds”)

Ladies and Gentlemen:

We have acted as counsel to (i) the Underwriters of the above captioned Bonds issued by the Harris County-Houston Sports Authority (the “Issuer”), pursuant to a resolution adopted on _____, 2019 (the “Bond Resolution”) by the Board of Directors of the Issuer (the “Board”), an Indenture of Trust dated August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004 and December 1, 2014 (the “Master Indenture”), and as further amended and supplemented, particularly by the Twenty-Eighth Supplemental Indenture of Trust, dated as of October 1, 2020, the Twenty-Ninth Supplemental Indenture of Trust, dated as of October 1, 2020, the Thirtieth Supplemental Indenture of Trust, dated as of October 1, 2020 and the Thirty-First Supplemental Indenture of Trust, dated as of October 1, 2020 (collectively with the Master Indenture, the “Indenture”) and (ii) the Dealer Manager in connection with the Tender Offer. The Underwriters are purchasing the Bonds pursuant to the Bond Purchase Agreement dated _____, 2020 (the “Purchase Agreement”). Unless otherwise expressly provided herein, capitalized terms used herein have the meanings ascribed to them in the Official Statement.

As your counsel, we have examined the Preliminary Official Statement, dated _____, 2020 (the “Preliminary Official Statement”) and the Official Statement, dated _____, 2020 (the “Official Statement”) and originals or copies, certified or otherwise identified to our satisfaction, of the documents, records, certificates and opinions referred to in Section ____ of the Purchase Agreement. In arriving at the view and opinions hereinafter expressed, we have not been requested to and are not expressing any view or opinions on, and with your permission are assuming and relying on, without independent assessment, inquiry or verification, the validity, accuracy and sufficiency of the records, documents, certificates and opinions referred to herein, including the accuracy of all factual matters represented and legal conclusions contained therein, including, without limitation, any representations and legal conclusions regarding the valid existence of the Issuer, the due authorization, issuance, delivery, validity and enforceability of the

Bonds, and the exclusion of interest on the Series 2020A Bonds from gross income for federal income tax purposes, and the legality, validity and enforceability of any documents or instruments that may be related to the authorization, issuance payment or security of the Bonds. We have assumed, but have not independently verified, that the signatures on all records, documents, certificates and opinions that we have examined are genuine and all copies conform to the originals.

Because the primary purpose of our professional engagement as your counsel was not to establish factual matters and because of the wholly or partially non-legal character of many of the determinations involved in the preparation of the Preliminary Official Statement or the Official Statement, we are not passing upon and do not assume any responsibility for the accuracy, completeness, or fairness of the statements contained in the Preliminary Official Statement and the Official Statement (including any appendices, schedules and exhibits thereto), and we have not undertaken to independently verify the accuracy, completeness or fairness of any such statements. At your request, we have participated as your counsel in conferences with representatives of the Issuer, representatives of the County and the City, co-bond counsel to the Issuer, general counsel to the Issuer and co-special disclosure counsel to the Issuer, the financial advisor to the Issuer and your representatives, at which conferences the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed. Based on our participation in the above-mentioned conferences and in reliance thereon and on the oral and written statements and representations of the Issuer, the County and the City, and others and certificates, opinions and other documents herein mentioned, we advise you that during the course of our representation of you in this matter no facts have come to the attention of the attorneys in our firm rendering legal services to you in connection with the Preliminary Official Statement and the Official Statement that cause us to believe that the Preliminary Official Statement, as of its date, or the Official Statement, as of its date and as of the date hereof, (except in each case as to (x) any financial statements or other financial, accounting, forecast, engineering, technical and statistical statements, reports and data included in the Preliminary Official Statement and the Official Statement (including any appendices, schedules exhibits and addenda thereto), and (y) the information under the headings “APPENDIX G–BOOK-ENTRY-ONLY SYSTEM”) contained or contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. No responsibility is undertaken or belief expressed with respect to any other disclosure document, materials or activity, or as to any information from another document or source referred to by or incorporated by reference in the Preliminary Official Statement or the Official Statement.

Based on and subject to the foregoing, we are of the opinion that:

(1) The Bonds are exempted securities under the Securities Act of 1933, as amended (the “1933 Act”) and it is not necessary, in connection with the offering and sale of the Bonds, to register the Bonds under the 1933 Act or to qualify the Bond Resolution or the Indenture under the Trust Indenture Act of 1939, as amended.

(2) Assuming that the Indenture has been duly adopted by the Issuer, and constitutes a valid and legally binding obligation of the Issuer, enforceable in accordance with the terms therein, the continuing disclosure undertakings by the Issuer contained therein provide a suitable basis for

the Underwriters reasonably to determine that the Issuer has undertaken to provide, directly or indirectly, the information required to be provided in connection with the Bonds pursuant to paragraph (b)(5)(i) of United States Securities and Exchange Commission Rule 15c2-12 (17 C.F.R., Part 240, § 240.15c2-12) under the Securities Exchange Act of 1934, as amended.

The opinions expressed in the paragraphs numbered (1) and (2) are expressed only insofar as the laws of the United States of America may be applicable. We are furnishing this letter to you solely for your benefit in your capacity as the Underwriters and the Dealer Manager. This letter may be relied upon only by the addressee hereof and may not be used, quoted, relied upon or otherwise referred to for any other purpose or by any other person. We disclaim any obligation to update this letter.

Very truly yours,

Exhibit B

Form of Co-Special Disclosure Counsel Opinion

_____, 2020

Harris County-Houston Sports Authority
Partnership Tower
701 Avenida de las Americas, Suite 450
Houston, TX 77010

Wells Fargo Bank, National Association
Estrada Hinojosa & Company, Inc.
Morgan Stanley & Co. LLC
as Underwriters of the Bonds
c/o Wells Fargo Bank, National Association
1000 Louisiana Street, Suite 600
Houston, Texas 77056

Wells Fargo Bank, National Association
as Dealer Manager
1000 Louisiana Street, Suite 600
Houston, Texas 77056

Re: \$ _____ Senior Lien Revenue Refunding Bonds, Series 2020A, \$ _____
Taxable Senior Lien Revenue Refunding Bonds, Series 2020B and \$ _____ Taxable
Second Lien Revenue Refunding Bonds, Series 2020C (collectively, the “Bonds”)

Ladies and Gentlemen:

We have acted as co-special disclosure counsel to the Harris County-Houston Sports Authority (the “Issuer”), as the Issuer of the above captioned Bonds. In that connection, we have reviewed (i) a resolution adopted on _____ (the “Bond Resolution”) by the Board of Directors of the Issuer (the “Board”), (ii) an Indenture of Trust dated August 15, 1998, as amended and restated as of May 1, 2001, November 1, 2003, June 1, 2004 and December 1, 2014 (the “Master Indenture”), and as further amended and supplemented, particularly by the Twenty-Eighth Supplemental Indenture of Trust, dated as of October 1, 2020, the Twenty-Ninth Supplemental Indenture of Trust, dated as of October 1, 2020, the Thirtieth Supplemental Indenture of Trust, dated as of October 1, 2020 and the Thirty-First Supplemental Indenture of Trust, dated as of October 1, 2020 (collectively with the Master Indenture, the “Indenture”) and (iii) certain portions of the Preliminary Official Statement for the Bonds dated _____, 2020 (the “Preliminary Official Statement”) and certain portions of the Official Statement for the Bonds dated _____, 2020 (the “Official Statement”), and we have made such investigations of law as we have deemed appropriate as a basis for the conclusion hereinafter expressed. We do not assume any responsibility for any electronic version of the Official Statement, and assume that any such version is identical in all respects to the printed version.

In arriving at the conclusion hereinafter expressed, we are not expressing any opinion or view on, and with your permission are assuming and relying on, without independent assessment or inquiry, the validity, accuracy and sufficiency of the records, documents, certificates and opinions referred to above, including the accuracy of all factual matters represented and legal conclusions contained therein, including, without limitation, any representations and legal conclusions regarding the valid existence of the Issuer, the due authorization, issuance, delivery, validity and enforceability of the Bonds and the exclusion of interest thereon from gross income for federal income tax purposes as to the Series 2020A Bonds, and the legality, validity and enforceability of the Resolution and the Indenture, and any laws, documents or instruments that may be related to the authorization, issuance, payment or security of the Bonds. We have assumed that all records, documents, certificates and opinions that we have reviewed, and the signatures thereto, are genuine. Our services did not include financial or other non-legal advice.

We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement or the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. In our capacity as co-special disclosure counsel to the Issuer, we participated in conferences with representatives of the Issuer, Masterson Advisors LLC., as Financial Advisor, Norton Rose Fulbright US LLP, as bond counsel, and others, during which the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed. Based on our participation in the above-mentioned conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon, on oral and written statements and representations of the Issuer and others and on the records, documents, certificates, opinions and matters herein mentioned, we advise you as a matter of fact and not opinion that, during the course of our role as co-special disclosure counsel with respect to the Bonds, no facts came to the attention of the attorneys in our firm rendering legal services in connection with such role which caused us to believe that the Preliminary Official Statement as of its date, the Official Statement as of its date and as of the time of closing of the sale of the Bonds to the Underwriters on the date hereof (except for any CUSIP numbers, financial, accounting, statistical, economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, appendices, or any information about book-entry, tax exemption, DTC, ratings, rating agencies, or underwriters, included or referred to therein or omitted therefrom, which we expressly exclude from the scope of this paragraph and as to which we express no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. No responsibility is undertaken or opinion rendered with respect to any other disclosure document, materials or activity, or as to any information from another document or source referred to by or incorporated by reference in the Preliminary Official Statement or the Official Statement.

By acceptance of this letter each of the addressees to this letter recognizes and acknowledges that: (i) the preceding paragraph is not an opinion but in the nature of negative observations based on certain limited activities performed by specific lawyers in our firm in our role as co-special disclosure counsel to the Issuer, and is provided to the Issuer and other addressees as part (subsidiary to the part performed by the Underwriters and its counsel) of the Issuer's responsibilities under certain securities laws; (ii) the scope of those activities performed by us were inherently limited and do not purport to encompass all activities that the Underwriters

(or the Issuer) may be responsible to undertake; (iii) those activities performed by us rely on third party representations, warranties, certifications and opinions including and primarily, representations, warranties and certifications made by the Issuer, and are otherwise subject to the conditions set forth herein; and (iv) this letter may not be sufficient for or appropriate to your purposes.

This letter is furnished by us as co-special disclosure counsel to the Issuer. We disclaim any obligation to update this letter. This letter is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of Bonds or by any other party to whom it is not specifically addressed.

Very truly yours,