
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.	Annual 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 -	VERIFICATION REPORT	
EXHIBIT B -	FORM 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, amended and restated as of December 1, 2014 (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

1. The Issuer has previously issued its Junior Lien Revenue Bonds, Series 2001H maturing in the years and amounts specified in the sufficiency report attached hereto as ***Exhibit A*** (collectively, such bonds being refunded are hereinafter referred to as the “*Refunded Obligations*”).

2. Payments of principal of and interest on the Refunded Obligations are due on the dates and in the amounts set forth in ***Exhibit A*** hereto upon mailing of the notice of redemption described herein.

3. 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.

4. The Issuer has subscribed for the purchase of the Defeasance Securities described in ***Exhibit A*** hereto.

5. The Issuer has determined, Smith Klein and Company, independent certified public accountants, in conjunction with Public Finance Partners LLC, has 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, whether or not the reinvestments herein provided for are made.

6. The Escrow Agent is a commercial bank, and is not a depository of the Issuer.

7. The Escrow Agent is the Trustee under the indenture.

8. 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:

- (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, 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.

“*Provider*” means the seller of the Defeasance Securities offered to the Issuer for delivery on the Deposit Date.

“*Refunded Obligations*” has the meaning ascribed to such term in the Recitals hereto.

“*Yield*” of any Defeasance Security is to be computed in accordance with section 1.148-3 of the Income Tax Regulations issued pursuant to any of sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended.

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 this 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, in immediately available funds the sum of \$ _____ from amounts deposited under the Debt Repayment Account in the Indenture to be applied pursuant to *Section 4.01*.

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 A* 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 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 A**, 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 Provider has guaranteed delivery of the Defeasance Securities to the Escrow Agent on or before 12:30 p.m., Eastern standard time, on the Deposit Date. By agreement with the Escrow Agent, if the Provider fails to deliver any of the Defeasance Securities that it has offered by 12:30 p.m., Eastern standard time on the Deposit Date, the Provider has agreed to wire an amount in cash equal to (a) the total cash flows from the Defeasance Security that the Provider failed to deliver minus (b) the cost of that Defeasance Security as specified in the agreement with the Escrow Agent by 1:30 p.m., Eastern standard time. If the Provider fails to deliver the Defeasance Securities as described in this Subsection, the Provider may deliver the Defeasance Securities under certain conditions according to its agreement with the Escrow Agent.

C. 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 A** 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 delivery of amounts deposited under the Debt Repayment Account in the Indenture, 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 A* 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 A* 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. *Annual 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.

In addition to the annual 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 Governing Body 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 amount of \$_____, 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 publication, 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 Bonds 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.*

For Refunded Obligations being defeased to their first optional redemption date, the Issuer hereby irrevocably instructs the Paying Agent for the Refunded Obligations to mail notices of redemption 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 forms set forth in *Exhibit B* 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

UMB BANK, NATIONAL ASSOCIATION
as Escrow Agent

By: _____
Agent

EXHIBIT A
VERIFICATION REPORT

(See Tab 4)

EXHIBIT B

FORM OF NOTICE OF DEFEASANCE

Harris County-Houston Sports Authority
\$56,623,681.60 Junior Lien Revenue Bonds, Series 2001H
Issued: January 2, 2002

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 \$ _____ in aggregate original principal amount of the above-captioned Bonds with an accreted value on October 9, 2020, of \$ _____, maturing as set forth below, and with a Dated Date of December 19, 2001, and an Issue Date of January 2, 2002; such Bonds were defeased on October 9, 2020 (the "Defeased 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 Sixteenth Supplemental Indenture of Trust between the Authority and the Trustee, dated as of December 15, 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 9, 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 Defeased Bonds as the same become due and in accordance with the terms of the Defeased Bonds.

The Defeased Bonds mature on November 15 in the following years, of the years shown, and are in the principal amounts for each maturity, bear interest at the stated rate, and are numbered as follows:

Year of Stated Maturity (November 15)	Original Maturity Value	Original CUSIP	Maturity Value of Defeased Bonds
2021	\$670,000	413890 BC7	\$670,000
2022	1,285,000	413890 BD5	1,285,000
	<u>\$1,285,000</u>		<u>\$1,285,000</u>

On the Stated Maturity, the Maturity Value for said Defeased Bonds is due and payable. Said Defeased Bonds cease to accrue interest from and after the Stated Maturity.

[Remainder of this Page Intentionally Left Blank]

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>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.