

SECRETARY'S CERTIFICATE

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

I, the undersigned Secretary of the Board of Directors (the "Board") of the Harris County-Houston Sports Authority (the "Authority"), hereby certifies as follows:

1. The Board convened at a meeting (the "Meeting"), open to the public, on August 27, 2020, and the roll was called of the members of the Board, to-wit:

- J. Kent Friedman Chair
Cindy Clifford Director, Position No. 1
Dr. Juan Sanchez Munoz\* Director, Position No. 2
Willie J. Alexander Director, Position No. 3
Martye M. Kendrick Director, Position No. 4
Dr. Laura Murillo Director, Position No. 5 & Secretary
Tom Sprague Director, Position No. 6
Lawrence R. Catuzzi Director, Position No. 7 & Vice Chair
Zina Garrison Director, Position No. 8
Chad Burke Director, Position No. 9
Bruce D. Oakley Director, Position No. 10
Robert Woods Director, Position No. 11 & Treasurer
Joseph Alan Callier Director, Position No. 12

\* Resigned, but has not been replaced.

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:

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 "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 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

**RECITALS**

1. The Harris County-Houston Sports Authority (the "Authority") was created by concurrent order of the Commissioners Court of Harris County, Texas (the "County") adopted, July 29, 1997 and the City Council of the City of Houston (the "City"), adopted July 30, 1997.
2. Pursuant to and in accordance with the provisions of Chapters 334 and 335, Texas Local Government Code (the "Act"), the Authority is authorized, among other things:

- (1) to impose a tax on a person who pays for the use or possession of a room that is in a hotel in the County or the City, costs \$2 or more each day and is ordinarily used for sleeping, subject to certain exceptions (the “Hotel Occupancy Tax”);
- (2) to impose a tax on the short-term rental of a motor vehicle in the County or the City (the “Car Rental Tax”); and
- (3) to issue bonds, including revenue bonds and refunding bonds, or other obligations to pay the costs of the Approved Venue Projects (as defined in the Indenture (defined herein)).

3. By resolutions adopted by its Board of Directors on September 10, 1997, and September 24, 1997, respectively, the Authority has imposed the Hotel Occupancy Tax and the Car Rental Tax (collectively, the “Excise Taxes”).

4. The Authority issued bonds and incurred other obligations to finance one or more Approved Venue Projects located in the County.

5. Chapter 1207, Texas Government Code, authorizes the Authority to issue refunding bonds (the “Refunding Bonds”) to refund its outstanding bonds and obligations.

6. The Authority may pledge the Excise Taxes and other revenues received from Houston Astros LLC (the “Astros Payments”) to any bonds or obligations issued by the Authority, and the Excise Taxes may be imposed by the Authority while any bonds or obligations of the Authority are outstanding.

7. 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 authorize and approve 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”).

8. 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.

9. 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.

10. In order to provide for final payment and discharge of all or a portion of the Outstanding Obligations, the Authority has determined that it is necessary 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”), as special limited obligations of the Authority, payable from and secured by a lien on the Trust Estate (as defined in the Indenture) created under the Indenture, as supplemented by the Supplemental Indentures, which the Authority now wishes to authorize and approve.

11. To effectuate the final payment and discharge of all or a portion of the Outstanding Obligations, the Authority has determined to enter into one or more escrow agreements (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 Bonds for such payment and discharge.

12. To effectuate the issuance, sale, and delivery of the Bonds, the Authority has further determined to enter into one or more bond purchase agreements (collectively, the “Bond Purchase Agreements”) with Wells Fargo Securities, as a representative of the syndicate 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 Authority and the Authority will sell the Bonds to the Underwriters.

13. The Authority has determined that it is in its best interest to enter into one or more Reimbursement and Indemnity Agreements (the “Reimbursement Agreements”) with Assured Guaranty Municipal Corporation (“Assured”) in order to (i) purchase one or more municipal bond insurance policies to guarantee the payment of principal of and interest on the Bonds, and (ii) to obtain a debt service reserve surety bond or bonds (the “Surety Policies”) for one or more series of the Bonds.

14. The Authority has determined that it is in its best interest (i) to solicit bids for the tender of certain of the Refunded Bonds in order to purchase all or a portion of such Refunded Bonds, (ii) to issue an Invitation to Tender Bonds, (iii) to enter into a Tender Agent Agreement, (iv) to enter a Dealer Manager Agreement (collectively with the Invitation to Tender Bonds and the Tender Agent Agreement, the “Tender Documents”).

15. Pursuant to and in accordance with the provisions of Section 1371.059, Texas Government Code, the Authority may waive the defense of sovereign immunity with respect to any claim arising with respect to the Indenture, the Bonds, or under any Reimbursement Agreement entered into with Assured.

16. Pursuant to and in accordance with the provisions of Chapter 1207 and 1371, Texas Government Code, the Authority, pursuant to this Resolution, may authorize one or more officers, or employees of the Authority (the “Designated Officer”) to act on behalf of the Authority in selling and delivering the Bonds, and approving other terms and procedures relating to the Bonds and the Indenture, the Supplemental Indentures, the Bond Purchase Agreements, the Escrow Agreements, the Reimbursement Agreements, the Guaranty Agreements, and the

Tender Documents and in carrying out the discharge and final payment of all or part of the Outstanding Obligations.

17. It has been determined that it is in the best interest of the Authority to issue the Bonds pursuant to Section 1207 of the Texas Government Code to provide for the discharge and final payment of the Outstanding Obligations.

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

**ARTICLE I**  
**THE BONDS**

*Section 1.1. Findings and Determinations.* The Authority 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 Authority 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 and the approval of the Reimbursement Agreements are in the best interest of the Authority;
- (d) The discharge and final payment of all or part of the Outstanding Obligations and the issuance of the Bonds is in the best interest of the Authority;
- (e) The maximum amount by which the aggregate amount of payments to be made under the Bonds exceeds the aggregate amount of payments that would have been made under the terms of the Refunded Bonds is \$160 million undiscounted, and \$30 million in present value.

*Section 1.2. Issuance, Execution, and Delivery of the Bonds.*

(a) The Authority hereby authorizes the issuance of the Bonds under and in accordance with the Indenture and each applicable Supplemental Indenture, and, upon execution and delivery of each Supplemental Indenture, the Authority authorizes its officers to execute and attest the respective Bonds by manual or facsimile signature and, as required by law, to affix the Authority's manual or facsimile seal to the Bonds and to deliver the Bonds to the Attorney General of the State of Texas for approval, the Comptroller of Public Accounts for registration, and the Trustee (defined herein) for authentication, and thereafter to deliver such Bonds to or at the direction of the Underwriters pursuant to the Bond Purchase Agreement.

(b) As authorized by Chapters 1207 and 1371, Texas Government Code, the Authority hereby authorizes the Chair of the Board of Directors of the Authority, or if designated by the Chair, any officer of the Board of Directors or the member of the Board of Directors acting as Investment Officer of the Authority pursuant to Chapter 2256 of the Government Code (the "Designated Officer"), to act on behalf of the Authority in selling and delivering the Bonds and carrying out the other procedures specified in this Resolution, including approval of the price

at which each series of the Bonds will be sold, principal amounts and maturities, and interest rates, accrual of interest as current interest or capital appreciation, the terms, if any, upon and at which the Bonds are subject to redemption prior to maturity, including any mandatory sinking fund redemption provisions, representations as to savings (if any) resulting from the issuance of the Bonds, and all other matters relating to the issuance, sale, and redemption provisions of the Bonds, including the designation of the Outstanding Obligations to be paid, discharged, or refunded (the "Refunded Obligations"), all of which shall be specified in one or more Terms Certificates in the aggregate containing the provisions set forth in Exhibit "A" (collectively, the "Terms Certificate"); provided that:

- (i) the price to be paid for the Bonds shall not be less than 90% of the aggregate original principal amount of the Bonds plus accrued interest thereon from their date to their delivery,
- (ii) none of the Bonds shall bear interest at a rate greater than 15% per annum or in excess of the maximum rate allowed by Chapter 1204, Texas Government Code,
- (iii) the aggregate principal amount of the Bonds shall not exceed \$125,000,000,
- (iv) the Bonds to be issued, prior to delivery, must have been rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for long term obligations, and
- (v) the Bonds shall mature not later than 40 years from their date of issuance.

*Section 1.3. Approval, Execution, and Delivery of Indenture.* The Authority hereby approves the form and substance of each Supplemental Indenture attached hereto, respectively, as Exhibits "B", "C", "D", and Exhibit "E", and the Authority authorizes its officers to execute, attest, and impress the Authority's seal (if required by the terms of the document or Texas law) to each Supplemental Indenture, and to deliver each Supplemental Indenture to the Trustee and the Underwriters.

*Section 1.4. Approval, Execution, and Delivery of the Bond Purchase Agreements.* The Authority approves the sale of the Bonds to the Underwriters, and, upon completion of the Bond Purchase Agreements in accordance with the terms of the Terms Certificate and this Resolution, authorizes its officers to execute, attest, and impress the Authority's seal (if required by the terms of the document or Texas law) to the Bond Purchase Agreements, and to deliver the Bond Purchase Agreements to the Underwriters in substantially the form attached as Exhibit "F".

*Section 1.5. Approval, Execution, Use, and Distribution of the Official Statement.* The Authority approves the Preliminary Official Statement in substantially the form attached hereto as Exhibit "G" in connection with the issuance and sale of the Bonds, and authorizes, approves, ratifies and confirms the use and distribution by the Underwriters of the Preliminary Official Statement in accordance with the terms, conditions, and limitations contained in the Bond Purchase Agreement; authorizes the Chair or Vice Chair to "deem final" the Preliminary Official Statement as of its date for purposes of United States Securities and Exchange Commission's Rule 15c2-12, as amended (the "Rule"), authorizes the preparation and distribution by the Underwriters of one or more final Official Statements (collectively, the "Official Statement") in

substantially the same form as the Preliminary Official Statement, together with such additions, deletions, and modifications as are necessary and desirable or consistent with the terms of this Resolution and the intended uses of the Official Statement, authorizes its officers individually or collectively to execute the Official Statement; and authorizes the use and distribution of the Official Statement by the Underwriters, subject to the terms, conditions, and limitations contained therein, and further subject to such amendments or additions thereto as may be required by the Bond Purchase Agreement and as may be approved by the Chair, Vice Chair, or other appropriate officer of the Authority.

*Section 1.6. Approval, Execution, and Delivery of Escrow Agreements.* The Authority approves the form and substance of the Escrow Agreements attached hereto as Exhibit “H”, as revised to reflect the terms of the sale of the bonds, and authorizes its officers to execute, attest, and impress the Authority’s seal (if required by the terms of the document or Texas law) to the Escrow Agreements, and to deliver the Escrow Agreements to the Escrow Agent.

*Section 1.7. Approval of Purchase of Municipal Bond Insurance, Reimbursement Agreements, and Debt Service Reserve Fund Policies.*

(a) The Authority ratifies the actions of its officers, employees and consultants in seeking bond insurance in order to obtain the lowest attainable interest rate on the Bonds and authorizes and approves the purchase of municipal bond insurance policies issued by Assured for the Bonds.

(b) The Authority approves the Reimbursement Agreements relating to the municipal bond issuance policy or policies and the debt service reserve surety bond or bonds for the Bonds and, upon completion of the Reimbursement Agreements and approval thereof by the Designated Officer, authorizes the officers of the Authority to execute, attest, and impress the Authority’s seal to the Reimbursement Agreements (if required by the terms of the document or Texas law) and to deliver the Reimbursement Agreements in substantially the form attached as Exhibit “I.”

(c) The Authority ratifies and confirms the actions of its officers, employees, and consultants in obtaining the Surety Policies to satisfy the debt service reserves for the Series 2020A Bonds, the Series 2020B Bonds, and the Series 2020C Bonds and authorizes and approves the purchase of such Surety Policies from Assured.

(d) The Authority authorizes any other reimbursement and indemnity agreements, surety policies, guaranty agreements, or other documents related to the provision of bond insurance or surety policies, by National Public Finance Guarantee Corporation, as successor to MBIA Insurance Corporation (“National”) or Assured, or amendments to any existing such agreements, relating to any of the Outstanding Obligations, which remain outstanding following the issuance of the Bonds, and authorizes its officers to execute, attest and impress the Authority’s seal (if required by the terms of the document or Texas law) to such documents and to deliver such documents to National or Assured, as applicable.

(d) Pursuant to Texas Government Code Section 1371.059, the Authority hereby waives the defense of sovereign immunity with respect to any claim arising with

respect to the Indenture, the Bonds or the remaining outstanding bonds under the Indenture, or under the Reimbursement Agreements and any other credit agreements entered into with Assured or National.

*Section 1.8. Approval of Tender Documents.*

(a) The Authority authorizes the actions of its officers, employees and consultants in inviting the tender of certain of the Refunded Bonds in order to defease such Refunded Bonds and authorizes and approves the form and substance of the Invitation to Tender attached hereto as “Exhibit J”, and approves the purchase of such tendered bonds pursuant to the terms of such Invitation to Tender.

(b) The Authority approves the form and substance of the Tender Agent Agreement attached as Exhibit “K” hereto relating to the solicitation of bids for the tender of certain Refunded Bonds and, upon completion of the Tender Agent Agreement and approval thereof by the Designated Officer, authorizes the officers of the Authority to execute, attest, and impress the Authority’s seal to the Tender Agent Agreement (if required by the terms of the document or Texas law) and to deliver the Tender Agent Agreement.

(c) The Authority approves the form and substance of the Dealer Manager Agreement attached as Exhibit “L” hereto relating to the appointment of a dealer manager to solicit tenders of certain Refunded Bonds and provide other services, upon completion of the Dealer Manager Agreement and approval thereof by the Designated Officer, authorizes the officers of the Authority to execute, attest, and impress the Authority’s seal to the Dealer Manager Agreement (if required by the terms of the document or Texas law) and to deliver the Dealer Manager Agreement.

*Section 1.9. Distribution of Amounts from Bond Proceeds.* The Authority authorizes any two of the Chair, the Vice Chair, the Secretary, or the Treasurer to execute a written order of the Authority to pay amounts from the Cost of Issuance Account as provided in the Supplemental Indentures at closing for the Bonds to pay Costs of Issuance (as defined in the Indenture), but not including premiums, underwriters’ discount, and other fees, and costs for bond insurance and surety policies.

*Section 1.10. Attorney General Fees.* The Authority authorizes, ratifies, and confirms the payment from available funds of the Authority of the fee payable to the Attorney General of Texas for review and approval of the Bonds.

ARTICLE II  
REFUNDED OBLIGATIONS

*Section 2.1. Approval of Defeasance and Redemption of Refunded Obligations.* The Authority approves and authorizes the redemption or final payment of all or a part of the Outstanding Obligations, as identified in the Terms Certificate, by the deposit and investment of sufficient proceeds of the Bonds, and other funds legally available to the Authority, with the Escrow Agent pursuant to the Escrow Agreement for such purpose pursuant to the Indenture, Amended and Restated Eighth Supplemental Indenture of Trust, Amended and Restated

Fifteenth Supplemental Indenture of Trust, Amended and Restated Sixteenth Supplemental Indenture of Trust, Amended and Restated Twentieth Supplemental Indenture of Trust, the Twenty-Fourth Supplemental Indenture of Trust, and the Twenty-Sixth Supplemental Indenture of Trust, all under and in accordance with the Act and Chapters 1207 and 1371, Texas Government Code.

### ARTICLE III TAX IMPOSED

*Section 3.1. Imposition of Excise Taxes.* The Authority affirms the levy and imposition of the Excise Taxes and such levy and imposition remains in effect, and the revenue derived from the imposition of the Excise Taxes may be used to pay the principal of, interest on, and other costs relating to the Bonds and other obligations to which such Excise Taxes are pledged, on a parity or otherwise, and affirms the collection of the Excise Taxes as provided in the actions of the Authority imposing the Excise Taxes.

### ARTICLE IV THE TRUSTEE AND ESCROW AGENT

*Section 4.1. Appointing Trustee.* The Authority appoints UMB Bank, National Association (the “Trustee”) as Bond Trustee for the Bonds under the Twenty-Eighth Supplemental Indenture, the Twenty-Ninth Supplemental Indenture, the Thirtieth Supplemental Indenture, and the Thirty-First Supplemental Indenture.

*Section 4.2. Appointing Escrow Agent.* The Authority appoints Escrow Agent as escrow agent in relation to the Refunded Obligations under the Escrow Agreement.

### ARTICLE V MISCELLANEOUS PROVISIONS

*Section 5.1. Ratifying Other Actions.* The Authority ratifies and confirms all actions taken or to be taken by its Board of Directors, its Chair or Vice Chair, and its other officers or employees and consultants in connection with the issuance, sale and delivery of the Bonds, the tender of certain Refunded Bonds, and the refunding of the Refunded Bonds, or in connection with any other action contemplated or authorized herein.

*Section 5.2. Authority to Invest Proceeds.* The Authority authorizes its officers and its consultants to invest and reinvest, or direct the Trustee to invest and reinvest, the proceeds of the Bonds and the Trust Estate in accordance with the provisions of Texas law and the Indenture.

*Section 5.3. Execution and Delivery of Other Documents.* The Authority authorizes its officers to execute, attest and impress the Authority’s seal (if required by the terms of the document of Texas law) 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 this Resolution, the Bonds, the Indenture, the Supplemental Indentures, the Bond Purchase

Agreements, the Escrow Agreements, the Preliminary Official Statement, the Official Statement, and the Tender Documents.

*Section 5.4. Exhibits Incorporated Herein.* All of the terms and provisions of each of the documents listed below as an exhibit shall be and are hereby incorporated into and made a part of this Resolution for all purposes:

Exhibit "A"	Form of Terms Certificate
Exhibit "B"	Form of Twenty-Eighth Supplemental Indenture
Exhibit "C"	Form of Twenty-Ninth Supplemental Indenture
Exhibit "D"	Form of Thirtieth Supplemental Indenture
Exhibit "E"	Form of Thirty-First Supplemental Indenture
Exhibit "F"	Form of Bond Purchase Agreement
Exhibit "G"	Form of Preliminary Official Statement
Exhibit "H"	Form of Escrow Agreement
Exhibit "I"	Form of Reimbursement Agreement
Exhibit "J"	Form of Invitation to Bid
Exhibit "K"	Form of Tender Agent Agreement
Exhibit "L"	Form of Dealer Manager Agreement

*Section 5.5. Power to Revise Form of Documents.* Notwithstanding any other provision of this Resolution, the Authority authorizes its officers individually or collectively 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, Treasurer, or Chair of the Finance Committee of the Authority, and in the opinion of Co-Bond Counsel or General Counsel of the Authority, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution, the Indenture, the Supplemental Indentures, the Bond Purchase Agreements, the Escrow Agreements, 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 5.6. Effective Date.* This Resolution is in full force and effect from and upon its adoption.

*Section 5.7. Open Meeting.* The Authority finds, determines, and declares that a sufficient written notice of the date, hour, place, and subject of the meeting of its Board of Directors at which this Resolution was adopted was posted at a place convenient and readily accessible at all times to the general public at the administrative office of the Authority, at the County Courthouses in Harris County, Fort Bend County, and Montgomery County for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, and this meeting was open to the public as required by law at all times during which this Resolution and the subject matter thereof was discussed, considered and formally acted upon. The Board of Directors further ratifies, approves and confirms such written notice and the contents and posting thereof.

*Section 5.8. Repealer.* All prior resolutions of the Board of Directors of the Authority, or parts thereof inconsistent with the terms of the Resolution are hereby repealed to the extent of such inconsistency.

ADOPTED, PASSED, AND APPROVED, this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

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Chair  
Harris County-Houston Sports Authority

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Secretary  
Harris County-Houston Sports Authority

**EXHIBIT A**

**FORM OF 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”)  
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 - \_\_\_\_ 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 in the aggregate principal amount of \$\_\_\_\_\_, which shall consist of \$\_\_\_\_\_ in Current Interest Bonds and \$\_\_\_\_\_ original principal amount Capital Appreciation Bonds. The Series 2020B Bonds shall be issued as Current Interest Bonds in the aggregate principal amount of \$\_\_\_\_\_ and \$\_\_\_\_\_ original principal amount Capital Appreciation Bonds. The Series 2020C Bonds shall be issued as Current Interest Bonds in the aggregate principal amount of \$\_\_\_\_\_ and \$\_\_\_\_\_ original principal amount Capital Appreciation Bonds.
- b. Interest Rates and Initial Interest Payment Dates. The Series 2020A Bonds, Series 2020B Bonds, and Series 2020C Bonds shall accrue interest from their dated date. The Initial Interest Payment Date for the Series 2020A Bonds, Series 2020B Bonds, and 2020C 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**

Current Interest Bonds

<u>Maturity (November 15)</u>	<u>Principal Amount Maturing</u>	<u>Interest Rate (%)</u>
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Capital Appreciation Bonds

<u>Maturity (November 15)</u>	<u>Original Principal Amount</u>	<u>Maturity Amount</u>	<u>Interest Rate (%)</u>	<u>Initial Yield (%)</u>
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**Series 2020B Bonds**

Current Interest Bonds

<u>Maturity (November 15)</u>	<u>Principal Amount Maturing</u>	<u>Interest Rate (%)</u>
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Capital Appreciation Bonds

<u>Maturity (November 15)</u>	<u>Original Principal Amount</u>	<u>Maturity Amount</u>	<u>Interest Rate (%)</u>	<u>Initial Yield (%)</u>
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**Series 2020C Bonds**

Current Interest Bonds

<u>Maturity (November 15)</u>	<u>Principal Amount Maturing</u>	<u>Interest Rate (%)</u>
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### Capital Appreciation Bonds

<u>Maturity</u> <u>(November 15)</u>	<u>Original Principal</u> <u>Amount</u>	<u>Maturity</u> <u>Amount</u>	<u>Interest</u> <u>Rate (%)</u>	<u>Initial</u> <u>Yield (%)</u>
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- d. Optional Redemption. On November 15, 20\_\_, and on any date thereafter, the Authority shall have the option of calling the Series 2020A Bonds that are issued as Current Interest 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.

On November 15, 20\_\_, and from time to time on any date thereafter, the Authority shall have the option of calling the Series 2020A Bonds that are issued as Capital Appreciation Bonds maturing thereafter for redemption prior to maturity, in whole or in part, for an amount equal to the compounded accreted value of such Bonds redeemed.

On November 15, 20\_\_, and on any date thereafter, the Authority shall have the option of calling the Series 2020B Bonds that are issued as Current Interest 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.

On November 15, 20\_\_, and from time to time on any date thereafter, the Authority shall have the option of calling the Series 2020B Bonds that are issued as Capital Appreciation Bonds maturing thereafter for redemption prior to maturity, in whole or in part, for an amount equal to the compounded accreted value of such Bonds redeemed.

On November 15, 20\_\_, and on any date thereafter, the Authority shall have the option of calling the Series 2020C Bonds that are issued as Current Interest 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.

On November 15, 20\_\_, and from time to time on any date thereafter, the Authority shall have the option of calling the Series 2020C Bonds that are issued as Capital Appreciation Bonds maturing thereafter for redemption prior to maturity, in whole or in part, for an amount equal to the compounded accreted value of such Bonds redeemed.

- a. Term Bonds and Mandatory Redemption. The Series 2020A Bonds issued as term bonds maturing in the year 20\_\_\_\_\_ 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:

\$\_\_\_\_\_ **Series 2020A Term Bonds Maturing in November 15, 20\_\_**

<u>Mandatory Redemption Date</u>	<u>Principal Amount</u>
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- a. The Series 2020B Bonds issued as term bonds maturing in the year 20\_\_\_\_\_ 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:

\$\_\_\_\_\_ **Series 2020B Term Bonds Maturing in November 15, 20\_\_**

<u>Mandatory Redemption Date</u>	<u>Principal Amount</u>
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- a. The Series 2020C Bonds issued as term bonds maturing in the year 20\_\_\_\_\_ 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:

\$\_\_\_\_\_ **Series 2020B Term Bonds Maturing in November 15, 20\_\_**

<u>Mandatory Redemption Date</u>	<u>Principal Amount</u>
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- b. Savings. The issuance of the Bonds and refunding of the Refunded Bonds is in the best interests of the Authority.

The Authority's net present value savings from the issuance of the Series 2020A Bonds, Series 2020B Bonds, and Series 2020C Bonds, and the corresponding refundings of the Refunded Bonds equals \$(\_\_\_\_\_), (\$\_\_\_\_\_), and \$(\_\_\_\_\_), respectively.

The aggregate amount of payments that would have been made under the terms of the Refunded Bonds exceeds the aggregate amount of payments to be made under the Series 2020A Bonds, Series 2020B Bonds, and Series 2020C Bonds by (\$\_\_\_\_\_), (\$\_\_\_\_\_), and (\$\_\_\_\_\_), respectively, and \$(\_\_\_\_\_) in the aggregate. .

### **PURCHASE PRICES FOR SERIES 2020 BONDS**

The purchase of the initial sale of the Series 2020A Bonds to the Original Purchaser is \$\_\_\_\_\_ (being the aggregate principal amount of the Series 2020A Bonds, less the Original Purchaser's discount in the amount of \$\_\_\_\_\_, plus the original issue premium in the amount of \$\_\_\_\_\_).

The purchase of the initial sale of the Series 2020B Bonds to the Original Purchaser is \$\_\_\_\_\_ (being the aggregate principal amount of the Series 2020B Bonds, less the Original Purchaser's discount in the amount of \$\_\_\_\_\_, plus the original issue premium in the amount of \$\_\_\_\_\_).

The purchase of the initial sale of the Series 2020C Bonds to the Original Purchaser is \$\_\_\_\_\_ (being the aggregate principal amount of the Series 2020C Bonds, less the Original Purchaser's discount in the amount of \$\_\_\_\_\_, plus the original issue premium in the amount of \$\_\_\_\_\_).

### **REFUNDED OBLIGATIONS**

The obligations shown in Exhibit A will be defeased and redeemed with proceeds of the Bonds (collectively, the "Refunded Bonds").

The following interest payments will be refunded with proceeds of the Bonds (the "Refunded Interest):

### **INSURANCE**

The Authority approves the purchase of the Bond Insurance Policy from Assured Guaranty Municipal Corp. to provide municipal bond insurance for the following Bonds:

**Series 2020A Bonds**

Current Interest Bonds

<u>Maturity (November 15)</u>	<u>Principal Amount Maturing</u>	<u>Interest Rate (%)</u>
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Capital Appreciation Bonds

<u>Maturity (November 15)</u>	<u>Original Principal Amount</u>	<u>Maturity Amount</u>	<u>Interest Rate (%)</u>	<u>Initial Yield (%)</u>
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**Series 2020B Bonds**

Current Interest Bonds

<u>Maturity (November 15)</u>	<u>Principal Amount Maturing</u>	<u>Interest Rate (%)</u>
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Capital Appreciation Bonds

<u>Maturity (November 15)</u>	<u>Original Principal Amount</u>	<u>Maturity Amount</u>	<u>Interest Rate (%)</u>	<u>Initial Yield (%)</u>
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**Series 2020C Bonds**

Current Interest Bonds

<u>Maturity (November 15)</u>	<u>Principal Amount Maturing</u>	<u>Interest Rate (%)</u>
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Capital Appreciation Bonds

<u>Maturity (November 15)</u>	<u>Original Principal Amount</u>	<u>Maturity Amount</u>	<u>Interest Rate (%)</u>	<u>Initial Yield (%)</u>
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WITNESS MY HAND, this \_\_\_\_\_, 2020.

---

J. Kent Friedman  
Chair

EXHIBIT A  
REFUNDED OBLIGATIONS

**EXHIBIT B**

**FORM OF TWENTY-EIGHTH SUPPLEMENTAL INDENTURE**

HARRIS COUNTY-HOUSTON SPORTS  
AUTHORITY

AND

UMB BANK, NATIONAL ASSOCIATION

AS

TRUSTEE

TWENTY-EIGHTH SUPPLEMENTAL INDENTURE OF TRUST

Dated as of October 1, 2020

\$ \_\_\_\_\_  
SENIOR LIEN REVENUE REFUNDING BONDS  
SERIES 2020A

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**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 \$\_\_\_\_\_ (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:

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## 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 \_\_\_\_\_ 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 Depository.

**“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 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 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 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.

## 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 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-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 \$\_\_\_\_\_, 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 \$\_\_\_\_\_, 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:

<b>Maturity</b>	<b>Principal (\$)</b>	<b>Interest (%)</b>
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**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 Refunded Bonds to the Automated Tender Option Program (ATOP) account established by the Tender Agent at DTC for purchase pursuant to the Tender Offer; and
- (7) confirmation that the tendered Refunded Bonds accepted for purchase by the Issuer will be debited from the securities position of participants at DTC and released to the Trustee for cancellation upon delivery of the tender price for (including accrued interest on) such Refunded Bonds to the ATOP account.

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## 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.

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## 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 as 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.

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**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.

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## 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.

(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 \$\_\_\_\_\_, plus the original issue premium in the amount of \$\_\_\_\_\_) 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) \$\_\_\_\_\_ of the net proceeds of the Series 2020A Bonds shall be deposited with the Escrow Agent pursuant to the Escrow Agreement for the Refunded Obligations;
- (3) \$\_\_\_\_\_ of the net proceeds of the Series 2020A Bonds shall be deposited with DTC for credit to the ATOP account referred to in **Section 2.4** to pay the aggregate tender price due on the Issue Date for the tendered Refunded Bonds accepted by the Issuer for purchase (including accrued interest);
- (4) \$\_\_\_\_\_ 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
- (5) 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 \$\_\_\_\_\_ to the Series 2020A Credit Provider as the premium for the Bond Insurance Policy (Series 2020A) and \$\_\_\_\_\_ to the Debt Service Reserve Account Policy (Series 2020A) Credit Provider as the premium for the Debt Service Reserve Account Policy (Series 2020A).

## **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) 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 (based on Accreted Value on the most recent May 15 or November 15 for the Series 2020A 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*.

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## 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 shall issue 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 Trustee’s failure 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., 31 West 52nd Street, New York, New York 10019, Attention: Managing Director – Surveillance, Re: Policy No. \_\_\_\_\_, 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.

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## 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.

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## 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 its audited financial statements for the applicable fiscal year to the MSRB when such 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.

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## 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).

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## 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 or 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

\_\_\_\_\_.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

By \_\_\_\_\_  
Chair

By \_\_\_\_\_  
Secretary

UMB BANK, NATIONAL ASSOCIATION,  
as Trustee

By \_\_\_\_\_  
Its \_\_\_\_\_

**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 \$\_\_\_\_\_ 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 maturing on or after November 15, 20\_\_ are subject to redemption prior to maturity on or after November 15, 20\_\_ 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, 20\_\_ 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, 20\_\_

<p>Payment Dates (November 15)</p> <p style="text-align: center;">(stated maturity)</p>	<p>Mandatory Sinking Fund Payments</p> <p>\$</p>
---	--

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 §  
THE STATE OF TEXAS § REGISTER NO. ....

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 REFUNDED OBLIGATIONS**

**EXHIBIT C**

**FORM OF TWENTY-NINTH SUPPLEMENTAL INDENTURE**

HARRIS COUNTY-HOUSTON SPORTS  
AUTHORITY

AND

UMB BANK, NATIONAL ASSOCIATION

AS

TRUSTEE

TWENTY-NINTH SUPPLEMENTAL INDENTURE OF TRUST

Dated as of October 1, 2020

\$ \_\_\_\_\_  
TAXABLE SENIOR LIEN REVENUE REFUNDING BONDS  
SERIES 2020B

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**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 \$\_\_\_\_\_ (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 \_\_\_\_\_ 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 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.

**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.

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**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 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 \$\_\_\_\_\_, 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 \$\_\_\_\_\_, 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

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

<b>Maturity</b>	<b>Principal (\$)</b>	<b>Interest (%)</b>
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\$

**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.

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## 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.

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## 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 as 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.

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## 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.

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**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 \$\_\_\_\_\_, plus the original issue premium in the amount of \$\_\_\_\_\_ ) 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) \$\_\_\_\_\_ of the net proceeds of the Series 2020B Bonds shall be deposited with the Escrow Agent pursuant to the Escrow Agreement for the Refunded Obligations; and
- (3) \$\_\_\_\_\_ 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.
- (4) 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 \$\_\_\_\_\_ to the Series 2020B Credit Provider as the premium for the Bond Insurance Policy (Series 2020B) and \$\_\_\_\_\_ 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**.

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## 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 shall issue 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 Trustee’s failure 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., [\*31 West 52nd Street, New York, New York 10019, Attention: Managing Director – Surveillance,\*] Re: Policy No. \_\_\_\_\_, 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.

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## 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.

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## 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 its audited financial statements for the applicable fiscal year to the MSRB when such 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.

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## 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.

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## 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 or 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.

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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

\_\_\_\_\_.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

By \_\_\_\_\_  
Chair

By \_\_\_\_\_  
Secretary

UMB BANK, NATIONAL ASSOCIATION,  
as Trustee

By \_\_\_\_\_  
Its \_\_\_\_\_

**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 \$\_\_\_\_\_ 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, 20\_\_ are subject to redemption prior to maturity on or after November 15, 20\_\_ 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, 20\_\_ 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, 20\_\_

<p>Payment Dates <u>(November 15)</u></p> <p>(stated maturity)</p>	<p>Mandatory Sinking <u>Fund Payments</u></p> <p style="text-align: right;">\$</p>
--	--

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 REFUNDED OBLIGATIONS**

**EXHIBIT D**

**FORM OF THIRTIETH SUPPLEMENTAL INDENTURE**

HARRIS COUNTY-HOUSTON SPORTS  
AUTHORITY

AND

UMB BANK, NATIONAL ASSOCIATION

AS

TRUSTEE

THIRTIETH SUPPLEMENTAL INDENTURE OF TRUST

Dated as of October 1, 2020

\$ \_\_\_\_\_  
TAXABLE SECOND LIEN REVENUE REFUNDING BONDS  
SERIES 2020C

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**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 \$\_\_\_\_\_ (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 \_\_\_\_\_ 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 Depositary.

**“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, 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 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.

**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.

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**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 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 \$\_\_\_\_\_, 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 \$\_\_\_\_\_, 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

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

<b>Maturity</b>	<b>Principal (\$)</b>	<b>Interest (%)</b>
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**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.

**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.

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## 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.

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## 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.

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## 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.

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## 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 \$\_\_\_\_\_, plus the original issue premium in the amount of \$\_\_\_\_\_ ) 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) \$\_\_\_\_\_ of the net proceeds of the Series 2020C Bonds shall be deposited with the Escrow Agent pursuant to the Escrow Agreement for the Refunded Obligations;
- (3) \$\_\_\_\_\_ 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;
- (4) 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 \$\_\_\_\_\_ 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**.

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## 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 shall issue 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 Trustee’s failure 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., [\*31 West 52nd Street, New York, New York 10019, Attention: Managing Director – Surveillance,\*] Re: Policy No. \_\_\_\_\_, 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.

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**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 its audited financial statements for the applicable fiscal year to the MSRB when such 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 or 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.

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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

\_\_\_\_\_.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

By \_\_\_\_\_  
Chair

By \_\_\_\_\_  
Secretary

UMB BANK, NATIONAL ASSOCIATION, as Trustee

By \_\_\_\_\_  
Its \_\_\_\_\_

**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 \$\_\_\_\_\_ 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 Tax-Exempt 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, 2025, are subject to redemption prior to maturity on or after November 15, 2024 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, 20\_\_ 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, 20\_\_

Payment Dates <u>(November 15)</u>  (stated maturity)	Mandatory Sinking <u>Fund Payments</u>  \$
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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

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\*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)

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\*\*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 REFUNDED OBLIGATIONS**

**EXHIBIT E**

**FORM OF THIRTY-FIRST SUPPLEMENTAL INDENTURE**

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HARRIS COUNTY-HOUSTON SPORTS  
AUTHORITY

AND

UMB BANK, NATIONAL ASSOCIATION

AS

TRUSTEE

THIRTY-FIRST SUPPLEMENTAL INDENTURE OF TRUST

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Dated as of October 1, 2020

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## 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, 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, and that such amendments to the Indenture do not require 100% Bondowners’ Consent.

D. 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 Fourth Amended and Restated Indenture*

The Fourth Amended and Restated 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 in *Section 1.1* in alphabetical order:

*"Fourth Amended and Restated Indenture"* means the 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 as amended as of October 1, 2020, by and between the Trustee and the Issuer.

*"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)(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.** *Amendments, Restatements, and Additions to Section 5.6*

*Sections 5.6(a)(8)* and *5.6(a)(9)* below are hereby amended and restated and *Section 5.6(a)(10)* will be added to *Section 5.6*, as shown below. On June 15, 2024, such

amendments, restatements and additions below will terminate and have no effect, *Section 5.6(a)(10)* will be deleted from the Indenture, and the provisions of *Sections 5.6(a)(8)* and *5.6(a)(9)* will be amended and restated with the language of such Sections immediately prior to such amendments, restatements, and additions herein.

(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;

(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; and then

(10) the Debt Repayment Account;

**Section 2.7.** Amendments, Restatements, and Additions to Section 5.9

*Sections 5.9(a)(10)* and *5.9(a)(11)* below are hereby amended and restated and *Section 5.9(a)(12)* will be added to *Section 5.9*, as shown below. On June 15, 2024, such amendments, restatements and additions below will terminate and have no effect, *Section 5.9(a)(12)* will be deleted from the Indenture, and the provisions of *Sections 5.9(a)(10)* and *5.9(a)(11)* will be amended and restated with the language of such Sections immediately prior to such amendments, restatements, and additions herein.

(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;

(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; and then

(12) the Debt Repayment Account;

**Section 2.8.** Amendments, Restatements, and Additions to Section 5.12

*Sections 5.12(a)(13)* and *5.12(a)(14)* below are hereby amended and restated and *Section 5.12(a)(15)* will be added to *Section 5.12*, as shown below. On June 15, 2024, such amendments, restatements and additions below will terminate and have no effect, *Section 5.12(a)(15)* will be deleted from the Indenture, and the provisions of *Sections 5.12(a)(13)* and *5.12(a)(14)* will be amended and restated with the language of such Sections immediately prior to such amendments, restatements, and additions herein.

(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;

(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; and then

(15) the Debt Repayment Account;

**Section 2.9.** *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) This Section may be amended with the written consent of AGM and National, and without the consent of any holder of Outstanding Bonds.

**Section 2.10.** *Amendment and Restatement of Section 5.18*

**Section 5.18** is hereby amended and restated with the following:

Prior to June 15, 2024, the amounts in the Debt Repayment Account will be applied solely to cure any insufficiencies as described in and pursuant to **Section 5.6(a)**, **Section 5.9(a)**, and **Section 5.12(a)**. Prior to June 15, 2024, this **Section 5.18** may be amended with the written consent of AGM and National, and without the consent of any holder of Outstanding Bonds.

On June 15, 2024 and thereafter, the language above will terminate and have no effect, and will be deleted from this Indenture. On June 15, 2024, the provisions below will be added to this **Section 5.18** and apply 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 \_\_\_\_\_  
\_\_\_\_\_.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

By \_\_\_\_\_  
Chair

By \_\_\_\_\_  
Secretary

UMB BANK, NATIONAL ASSOCIATION, as Trustee

By \_\_\_\_\_  
Its \_\_\_\_\_

**EXHIBIT F**

**FORM OF BOND PURCHASE AGREEMENT**

**BOND PURCHASE AGREEMENT**

relating to

**Harris County-Houston Sports Authority**  
\$ \_\_\_\_\_ **Senior Lien Revenue Refunding Bonds, Series 2020A**  
\$ \_\_\_\_\_ **Taxable Senior Lien Revenue Refunding Bonds, Series 2020B**  
\$ \_\_\_\_\_ **Taxable Junior Lien Revenue Refunding Bonds, Series 2020C**

September \_\_, 2020

**THE CHAIRMAN AND BOARD OF DIRECTORS**

Harris County-Houston Sports Authority  
701 Avenida de las Americas, Suite 450  
Houston, Texas 77010

Dear Mr. 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 \_\_, 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 \$ \_\_\_\_\_ 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 Junior 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”). 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 \_\_\_\_\_, 2020 (the “Bond Resolution”).

Concurrently, the Authority expects to issue a tender offer inviting owners of certain outstanding bonds of the Sports Authority described herein to tender such bonds for purchase by the Authority. Such purchase of tendered bonds will be funded by the Series 2020A Bonds.

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, N.A., 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 pages i and ii 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.** Delivered to the Authority herewith is a corporate check of the Representative payable to the order of the Authority in the amount of \$\_\_\_\_\_. The Authority agrees to hold such check uncashed until the Closing to ensure the performance by the Underwriters of their obligations to purchase, accept delivery of and pay for the Series 2020 Bonds at the Closing. Concurrently with the payment by the Underwriters of the purchase price of the Series 2020 Bonds, the Authority shall return such check to the Representative as provided in Section 8 herein. Should the Authority fail to deliver the Series 2020 Bonds at the Closing, or should the Authority be unable to satisfy the conditions of 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, such check 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, such check shall be retained by the Authority as liquidated damages for such failure of the Underwriters and for any defaults hereunder on the part of the Underwriters. The Underwriters hereby agree not to stop or cause payment on said check to be stopped unless the Authority has breached any of the terms of this Bond Purchase Agreement.

5. **Official Statement.** (a) The Authority has delivered or caused to be delivered to the Underwriters copies of the Preliminary Official Statement dated \_\_\_\_\_, 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 MSRB's 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) 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 Date.

## **6. Establishment of Issue Price of Certificates.**

(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) The Representative confirms that the Underwriters have offered all Series 2020A Bonds of each maturity to the public on or before the date of this Bond Purchase Agreement at the respective offering price (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule A attached hereto, except as otherwise set forth therein. At or promptly after the execution of this Bond Purchase Agreement, the Representative shall report to the Authority on Exhibit A the first price at which the Underwriters have sold to the public at least 10% of each maturity of the Series 2020A Bonds (the "10% test"), and shall identify to the Authority on Schedule A those maturities of the Series 2020A Bonds for which the 10% test has not been satisfied. If different interest coupons apply within a maturity, each separate CUSIP number within that maturity will be treated as a separate maturity for this purpose.

(c) The Authority and the Representative, on behalf of the Underwriters, agree that (i) the Representative shall retain all unsold Series 2020A Bonds of any maturity for which the 10% test has not been satisfied as of the date of this Bond Purchase Agreement and not allocated any such Series 2020A Bonds to any other Underwriter and (ii) the restrictions set forth in the next sentence shall apply to those maturities of the Series 2020A Bonds for which the 10% test has not been met as of the date of this Bond Purchase Agreement, 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 Representative 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:

- (1) the close of the fifth (5<sup>th</sup>) business day after the sale date; or
- (2) 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 shall promptly advise the Authority when the Underwriters have 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, if such sale occurs prior to the close of the fifth (5<sup>th</sup>) business day after the sale date.

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 hold-the-offering-price rule 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 retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Series 2020A Bonds.

(d) The Representative confirms that:

(1) 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) report the prices at which it sells to the public the unsold Series 2020A Bonds of each maturity allotted to it until it is notified by the Representative that the 10% test has been satisfied as to the Series 2020A Bonds of that maturity 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 and as set forth in the related pricing wires, and

(2) any agreement among underwriters 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 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 allotted to it until it is notified by the Representative or the Underwriter that the 10% test has been satisfied as to the Series 2020A Bonds of that maturity 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 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:

(1) “public” means any person other than a tax law underwriter or a related party,

(2) “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),

(3) 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 (i) at least 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), (ii) 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 (iii) 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

(4) “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) At the time of the Authority's acceptance hereof 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;

(f) 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;

(g) 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 any authority for 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;

(h) 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;

(i) 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;

(j) 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;

(k) 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

(l) 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 \_\_\_\_\_, 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. Concurrently with such payment by the Underwriters, the Authority shall return to the Representative, the security deposit check referred to in Section 4 herein. Delivery and payment as aforesaid shall be made at the offices of Norton Rose Fulbright US LLP, 1301 McKinney Street, 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 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, except 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 2020 Bonds have received underlying ratings of “\_\_” by Moody’s Investors Service, Inc. (“Moody’s”) and “\_\_” by Standard & Poor’s Financial Services LLC (“S&P”);

(g) The Series 2020A Bonds and Series 2020B Bonds will be insured by Assured Guaranty Municipal Corp. and will have received ratings of “\_\_” from Moody’s and “\_\_” from S&P, based on the issuance of bond insurance policies to be issued by Assured Guaranty Municipal Corp;

(h) At or prior to the Closing, the Underwriters shall have received two copies of each of the following documents:

(1) The Official Statement of the Authority;

(2) 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/Treasurer of the Authority as having been duly adopted by the Authority and as being in effect, with no changes or amendments except as may have been agreed to by the Underwriters;

(3) 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;

(4) 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;

(5) 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;

(6) 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;

(7) 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;

(8) 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;

(9) 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;

(10) A certificate, dated the date of Closing, signed by the Chairman and the Secretary of the Authority, 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;

(11) A fully executed Tax-Exempt Refunded Bonds Escrow Agreement related to the refunding of the Tax-Exempt Refunded Bonds and a fully executed Taxable Refunded Bonds Escrow Agreement related to refunding of the Taxable Refunded Bonds;

(12) A certificate of Public Finance Partners [and an independent certified public accountant] in form and substance reasonably satisfactory to the Representative and Co-Underwriters' Counsel;

(13) A verification report from Public Finance Partners [and an independent certified public accountant] in form and substance reasonably satisfactory to the Representative and Co-Underwriters' Counsel; and

(14) 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 check 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, any escalation of the outbreak of COVID-19) on 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 20 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 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; and (ix) any travel, lodging, meals, entertainment or other expenses incurred by the Authority incident thereto.

(b) The Underwriters shall pay: (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.

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, 62<sup>nd</sup> 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 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 Authority 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 purchase and sale of the Series 2020 Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the Authority and the Underwriters, (ii) in connection with such transaction, each Underwriter is acting solely as a principal and not as an agent 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 legal and financial advisors 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.

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 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. 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.

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 & Co., Inc.  
Morgan Stanley & Co., LLC

By: WELLS FARGO BANK, NATIONAL ASSOCIATION

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Accepted:

This \_\_\_\_\_ day of \_\_\_\_\_, 2020

HARRIS COUNTY-HOUSTON  
SPORTS AUTHORITY

By: \_\_\_\_\_  
J. Kent Friedman, Chairman

**EXHIBIT A**  
**TERMS CERTIFICATE**

**EXHIBIT B**

**FORM OF ISSUE PRICE CERTIFICATE**

\$ \_\_\_\_\_

**SENIOR LIEN REVENUE REFUNDING BONDS, SERIES 2020A**

**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**

**FORMS OF SUPPLEMENTAL OPINIONS OF CO-BOND COUNSEL**

**EXHIBIT D**

**FORMS OF OPINIONS OF CO-SPECIAL DISCLOSURE COUNSEL**

**EXHIBIT E**

**FORM OF OPINION OF GENERAL COUNSEL TO THE AUTHORITY**

**EXHIBIT F**

**FORMS OF OPINIONS OF CO-UNDERWRITERS COUNSEL**

**EXHIBIT G**

**FORM OF PRELIMINARY OFFICIAL STATEMENT**

## PRELIMINARY OFFICIAL STATEMENT

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."



## 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

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 Tender Bonds made by Harris County-Houston Sports Authority" dated \_\_\_\_\_, 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 "Tender Offer" herein.

The proceeds of the Series 2020A Bonds, will be used to (i) refund certain outstanding bonds of the Sports Authority (the "Series 2020A Refunded Bonds"), as more particularly described in "SCHEDULE I — Refunded Obligations"; (ii) purchase bonds tendered pursuant to the Tender Offer; (iii) purchase a reserve fund surety policy for the Series 2020A Bonds; and (iv) pay costs of issuance relating to the Series 2020A Bonds 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 reserve fund surety policy for the Series 2020B Bonds; and (iii) pay costs of issuance relating to the Series 2020B Bonds 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 and (iii) pay cost of issuance relating to the Series 2020C Bonds. See "PURPOSE AND PLAN OF FINANCE" and "SOURCES AND USES OF FUNDS."

The Series 2020A Bonds are being issued in part as Current Interest Bonds (the "Series 2020A CIBs") and in part as Capital Appreciation Bonds (the "Series 2020A CABs"). The Series 2020B Bonds and the Series 2020C Bonds are being issued as Current Interest Bonds. Interest on the Series 2020A CIBs, the Series 2020B Bonds and the Series 2020C Bonds will accrue from the Date of Delivery, and will be payable on each May 15 and November 15, commencing May 15, 2021. Interest on the Series 2020A CABs will accrue from the Date of Delivery until stated maturity and will compound on May 15 and November 15 of each year, commencing May 15, 2021, and will be payable only at stated maturity. Interest accruing on the Series 2020A CIBs, the Series 2020B Bonds and the Series 2020C Bonds, and the accreted/compounded interest on the Series 2020A CABs, 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, with respect to the Series 2020A CIBs, the Series 2020B Bonds and the Series 2020C Bonds, and in maturity amounts of \$5,000, or any integral multiple thereof, with respect to the Series 2020A CABs. 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 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 2020A Bonds, the Series 2020B Bonds and the Series 2020C Bonds (together, the "Insured Series 2020 Bonds") when due will be guaranteed under separate insurance policies for each series of Bonds to be issued concurrently with the delivery of the Insured Series 2020 Bonds by [ASSURED GUARANTY MUNICIPAL CORP] (the "2020 Insurer or "AGM"). See "BOND INSURANCE."

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 pages i and ii 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 14, 2020 ("Date of Delivery").

**Wells Fargo Securities**

**Estrada Hinojosa**

**Morgan Stanley**



**MATURITY SCHEDULE**

**SERIES 2020A BONDS**

\$ \_\_\_\_\_ Current Interest Serial Bonds

<u>Maturity</u> <u>(November 15)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Initial Yield</u>	<u>CUSIP No.</u> <sup>(1)</sup>
---	-------------------------	----------------------	----------------------	---------------------------------

\$ \_\_\_\_\_ Current Interest Term Bonds

\$ \_\_\_\_\_ % Current Interest Term Bonds due November 15, 20\_\_ — Yield \_\_\_\_\_%<sup>(3)</sup> — CUSIP No. 413890 \_\_\_\_\_<sup>(1)</sup>

(Interest to accrue from Date of Delivery)

\$ \_\_\_\_\_ Capital Appreciation Bonds

<u>Maturity</u> <u>(November 15)</u>	<u>Original</u> <u>Principal Amount</u>	<u>Initial</u> <u>Market</u> <u>Yield</u> <sup>(4)</sup> %	<u>Maturity</u> <u>Amount</u> \$	<u>Initial Offering</u> <u>Price per \$5,000 in</u> <u>Maturity Amount</u> \$	<u>CUSIP No.</u> <sup>(1)</sup>
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(Interest to accrete from Date of Delivery)

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<sup>(1)</sup> 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.

<sup>(2)</sup> The initial yield for such maturities of the Series 2020A CIBs is calculated to the first optional redemption date for the Series 2020A CIBs of November 15, 20\_\_.

<sup>(3)</sup> Interest on the Series 2020A CABs compounds to maturity at the initial market yield. See “DESCRIPTION OF THE SERIES 2020 BONDS — Accreted Values of Series 2020A CABs.”

**SERIES 2020B BONDS (TAXABLE)**

\$ \_\_\_\_\_ Current Interest Serial Bonds

<u>Maturity</u> <u>(November 15)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Initial</u> <u>Yield</u>	<u>CUSIP No.</u> <sup>(1)</sup>
	\$	%	\$	

(Interest to accrue from Date of Delivery)

**SERIES 2020C BONDS (TAXABLE)**

\$ \_\_\_\_\_ Current Interest Serial Bonds

<u>Maturity</u> <u>(November 15)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Initial</u> <u>Yield</u>	<u>CUSIP No.</u> <sup>(1)</sup>
	\$	%	\$	

(Interest to accrue from Date of Delivery)

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<sup>(1)</sup> 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.

## 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.

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**OFFICIAL STATEMENT**

\$ \_\_\_\_\_  
**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**

**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 Tender Bonds made by Harris County-Houston Sports Authority” dated \_\_\_\_\_, 2020 (the “Tender Offer”), of the Harris County-Houston Sports Authority, a political subdivision of the State of Texas (the “Sports Authority”), 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 the sale 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, 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.” Certain revenues derived from lease payments pertaining to NRG Stadium and the Toyota Center, and related surcharge revenues from such Approved Venue Projects, are not pledged to the Series 2020 Bonds. See “DESCRIPTION OF OTHER SPORTS AUTHORITY REVENUES NOT PLEDGED TO THE SERIES 2020 BONDS.”

**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 “SECURITY FOR THE SERIES 2020 BONDS — Flow of Funds for Astros Payments” and “INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments — Sufficiency 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. Additional information regarding executive orders issued by the Governor is accessible on the website of the Governor at <https://gov.texas.gov/>. Neither the information on (nor accessed through) such website of the Governor is incorporated by reference, either expressly or by implication, into this Official Statement.

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.

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 Revenue Tax revenues 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 Outstanding Bonds to proactively manage its near term cash flow to avoid having to use any Sports Authority reserves to pay the debt service on such Outstanding Bonds. See "PURPOSE AND PLAN OF FINANCING" and "INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and 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 potential impact of the Pandemic on the Sports Authority. The long-term impact of the Pandemic on the Sports Authority cannot be quantified at this time. See "INVESTMENT CONSIDERATIONS - Sufficiency of Revenues and 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 County real or personal property taxes 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 Compass Stadium") principally used by the Houston Dynamo Major League Soccer franchise for professional soccer. BBVA Compass Stadium opened in May, 2012. The Sports Authority did not incur any debt with respect to the BBVA Compass 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 Sports Authority is issuing the Series 2020 Bonds Sports Authority in order to restructure its Outstanding Bonds to proactively manage its near term cash flow to avoid having to use any Sports Authority reserves to pay the debt service on such Outstanding Bonds. 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 Tax Revenues and Vehicle Tax Revenues pledged to the payment of the Sports Authority's Outstanding Bonds. It is unclear how long the Pandemic's negative impact on such revenues will continue. If such Sports Authority revenues remain at current levels, the Sports Authority would be required to draw on its reserves to pay its November 15, 2020 debt service payment on its Outstanding Bonds. See – "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 \_\_\_\_\_, 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 (CABS); Junior Lien Revenue Bonds, [Series 2001H (CABS)]; Senior Lien Revenue Refunding Bonds, Series 2014A; and Second Lien Revenue Refunding Bonds, Series 2014C (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 and some may be refunded as described below in "- Purpose" below.

**Purpose.** The proceeds of the Series 2020A Bonds, will be used to (i) 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; (iii) purchase 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 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 reserve fund surety policy for the Series 2020B Bonds; and (iii) pay costs of issuance relating to the Series 2020B Bonds and the costs of refunding the Series 2020B Refunded Obligations. 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 and (iii) pay cost of issuance relating to the Series 2020C Bonds and 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 (CABS)] 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 (or accreted value, as applicable) and interest on the Insured Series 2020 Bonds when due will be guaranteed under a bond insurance policy to be issued concurrently with the delivery of such Bonds by the 2020 Insurer.

Proceeds of the Series 2020A Bonds and the Series 2020B Bonds will be used to purchase Debt Service Reserve Account Credit Facilities from the 2020 Insurer to satisfy the respective Debt Service Reserve Requirement for such 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 — Events of Default and Remedies – Credit Providers’ Rights to Direct Remedies.”

### **Outstanding Bonds**

The schedule below provides (i) 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, and (ii) the Authority’s Senior Lien, Second Lien, Junior Lien and Third Lien Bonds that will be outstanding upon the delivery of the Series 2020 Bonds and the application of the proceeds thereof on the Date of Delivery to refund the Refunded Obligations. 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 listed in the schedule below. See “Subordinate Obligations of the Sports Authority.” 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 “AUDITED FINANCIAL STATEMENTS.”

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## Schedule 1 — Outstanding Bonds

	Obligations Currently Outstanding	Obligations Outstanding After the Issuance of the 2020 Bonds
<b><u>Senior Lien Bonds:</u></b>		
Series 2001A Bonds		
Series 2001G Bonds		
Series 2014A Bonds		
Series 2020A Bonds		
Series 2020B Bonds		
<b><u>Second Lien Bonds:</u></b>		
Series 2014C Bonds		
Series 2020C Bonds		
<b><u>Junior Lien Bonds:</u></b>		
Series 2001H Bonds		
<b><u>Third Lien Bonds:</u></b>		
Series 2004A-3 Bonds		
TOTAL		

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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 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.
- (2) Represents the principal amount of the Sports Authority’s Senior Lien, Second Lien, Junior Lien and Third Lien Bonds that will be outstanding upon the delivery of the Series 2020 Bonds and the application of the proceeds thereof on the Date of Delivery, and therefore includes the Series 2020 Bonds, and excludes the Refunded Obligations, the Other Obligations of the Sports Authority described in “Concurrent Issuance of Other Obligations” and the subordinate debt obligations of the Sports Authority described in “Subordinate Obligations of the Sports Authority.”

### 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, as described in “DESCRIPTION OF OTHER SPORTS AUTHORITY REVENUES NOT PLEDGED TO THE SERIES 2020 BONDS.” 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.* The Series 2020A Refunded Bonds are to be paid on the scheduled interest payment dates and the redemption dates of each such obligation, from funds to be deposited with UMB Bank, National Association, as escrow agent (the “Escrow Agent”), pursuant to an escrow agreement between the Sports Authority and the Escrow Agent (the “Series 2020A Escrow Agreement”) to be effective as of the Date of Delivery. The Series 2020A Refunded Bonds will be paid on their respective interest payment and/or redemption dates, as

applicable in the amounts set forth in SCHEDULE I hereto. See “SCHEDULE I — REFUNDED OBLIGATIONS.”

*Series 2020B Refunded Bonds and Series 2020B Refunded Interest.* The Series 2020B Refunded Bonds and the Series 2020B Refunded Interest (together, the Series 2020B Refunded Obligations”) are to be paid on the scheduled interest payment dates and the redemption dates of each such obligation, from funds to be deposited with the Escrow Agent, pursuant to an escrow agreement between the Sports Authority and the Escrow Agent (the “Series 2020B Escrow Agreement”) to be effective as of the Date of Delivery. The Series 2020B Refunded Obligations will be paid on their respective interest payment and/or redemption dates, as applicable in the amounts set forth in SCHEDULE I hereto. See “SCHEDULE I — REFUNDED OBLIGATIONS.”

*Series 2020C Refunded Bonds.* The Series 2020C Refunded Bonds are to be paid on the scheduled interest payment dates and the redemption dates of each such obligation, from funds to be deposited with the Escrow Agent, pursuant to an escrow agreement between the Sports Authority and the Escrow Agent (the “Series 2020C Escrow Agreement”) to be effective as of the Date of Delivery. The Series 2020C Refunded Bonds will be paid on their respective interest payment and/or redemption dates, as applicable in the amounts set forth in SCHEDULE I hereto. See “SCHEDULE I — REFUNDED OBLIGATIONS.”

The Series 2020A Refunded Bonds, the Series 2020B Refunded Obligations and the Series 2020C Refunded Bonds are 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 actuarial 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.

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## 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.

	Series 2020A Bonds	Series 2020B Bonds	Series 2020C Bonds	Total
<u>Sources of Funds:</u>				
Principal Amount				
Plus: Original Issue Premium				
Sports Authority Contribution				
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

The Series 2020A Bonds are being issued in part as Current Interest Bonds (the “Series 2020A CIBs”) and in part as Capital Appreciation Bonds (the “Series 2020A CABs”). The Series 2020B Bonds and the Series 2020C Bonds are being issued as Current Interest Bonds. Interest on the Series 2020A CIBs, the Series 2020B Bonds and the Series 2020C Bonds will accrue from the Date of Delivery, and will be payable on each May 15 and November 15, commencing May 15, 2021. Interest on the Series 2020A CABs will accrete from the Date of Delivery until stated maturity and will compound on May 15 and November 15 of each year, commencing May 15, 2021, and will be payable only at stated maturity. Interest accruing on the Series 2020A CIBs, the Series 2020B Bonds and the Series 2020C Bonds, and the accreted/compounded interest on the Series 2020A CABs, 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 pages i and ii 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, with respect to the Series 2020A CIBs, the Series 2020B Bonds and the Series 2020C Bonds, and in maturity amounts of \$5,000, or any integral multiple thereof, with respect to the Series 2020A CABs. 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.”

### Accreted Values of Series 2020A CABs

Attached as SCHEDULE II hereto is a table of Accreted Values of Series 2020A CABs, which has been computed as of each May 15 and November 15 per \$5,000 maturity amount, based upon the initial offering prices of the Series 2020A CABs set forth on page i of this Official Statement, as adjusted by semiannual compounding at the initial offering yields of such Series 2020A CABs set forth on page i of this Official Statement from the date of issuance thereof. The values listed in the table of Accreted Values of Series 2020A CABs may differ from prices available from time to time in any secondary market for the Series 2020A CABs.

## 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 CIBs.*

*Optional Redemption.* The Series 2020A CIBs 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 CIBs 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 CIBs Maturing	
<u>November 15, 20__</u>	
Redemption Date	<u>Principal Amount</u>
<u>(November 15)</u>	\$
(final maturity)	

**Series 2020A CABs.**

Optional Redemption. The Series 2020A CABs 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 the Accreted Value as of the redemption date of the Series 2020A CABs to be redeemed. For any redemption date that is not a semiannual compounding date (May 15 and November 15 of each year), the Accreted Value for any such redemption date shall be the sum of (i) the Accreted Value on the preceding semiannual compounding date, and (ii) the product of (1) a fraction, the numerator of which is the number of days having elapsed from the preceding compounding date and the denominator of which is the number of days from such preceding compounding date to the next succeeding compounding date, using for such calculation 30-day months and a 360-day year and (2) the difference between the Accreted Values for such compounding dates. See "SCHEDULE II — ACCRETED VALUES OF SERIES 2020A CABs."

**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	
<u>November 15, 20__</u>	
Redemption Date	<u>Principal Amount</u>
<u>(November 15)</u>	\$
(final maturity)	

**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	
<u>November 15, 20__</u>	
Redemption Date	<u>Principal Amount</u>
<u>(November 15)</u>	\$
(final maturity)	

## 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 — Purpose and Background,” 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 — 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 PROVISION OF THE MASTER INDENTURE"). 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 (see the definition of "Astros Payments" in "APPENDIX C — EXCERPTS OF CERTAIN PROVISION OF THE MASTER INDENTURE"). See "SECURITY FOR THE SERIES 2020 BONDS."

### **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 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 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. 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 15.0% 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. The composite occupancy tax rate in Houston is the highest in the nation. Houston's high occupancy tax rate is offset in part by the relatively low average daily rates for hotel rooms in Houston.

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 twenty percent 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 10.0% 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 and 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 [\$5,600,000 per year, consisting of \$4,400,000 per year as rent and \$1,200,000 per year as royalties, payable in equal installments each April 1 and October 1 through October 1, 2029. Beginning April 1, 2030 through the term of the Ballpark Lease, the Astros have agreed to pay rent in the amount of \$6,600,000, consisting of \$5,400,000 per year as rent and \$1,200,000 as royalties.] (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 ARR Fund.) In certain circumstances, such agreements with the Astros may be terminated, 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. **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.”

### **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”). 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. 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 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 \$1.2 million per year to the Sports Authority as royalties.) 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 basic rental fee of \$4,400,000 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 to the expiration of the lease on March 31, 2050 the basic rental fee increases to \$5,400,000 and \$5,300,000 of such amount is to be directly deposited to the ARR Fund to satisfy the full ARR requirement. 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 percent of any capital repair expenses in excess of \$25 million (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 rent 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 rent is equal to \$42,000 for each baseball home game not played at Minute Maid Park (a "Rent Credit"). [As described in "INFECTIOUS DISEASE OUTBREAK - COVID-19" herein, due to the Pandemic governmental authorities have imposed limitations on social gatherings resulting in the cancellation of sporting events including certain Astros games during the Spring of 2020. The Astros have requested Rent Credit for four Astros Games cancelled due to governmental orders issued because of the Pandemic and any future games cancelled for such reason.] "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 Ballpark Lease, 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 lease 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 (“Royalties”) to be paid by the Astros under the Ballpark License Agreement is \$1,200,000. The Astros’ offset rights with regard to rentals under the Ballpark Lease concerning certain condemnation and governmental rules also apply to the Royalties due under the Ballpark License Agreement.

Additionally, the Royalties 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 million 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**

The County has a population estimated at [4,713,000] as of July 2020, which is the third most populous in the United States. The City has a population estimated at [2,325,502] as of July 2020, and is the fourth largest city in the United States. In 2019, the Port of Houston ranked first in foreign tonnage and second in total tonnage among US Ports. 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. In 2019, approximately [sixteen] million patrons attended at least one event, and [two] million of those patrons were from outside of the Houston region. 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 Compass Stadium have assisted in making the Houston region a destination for various events. Between these venues, over [1,300] events were held with approximately [8.5] million attendees in 2019. [Over the past ten years, major events include the National Basketball Association (NBA) All-Star Game, National Football League (NFL) Super Bowl, National Collegiate Athletics Association (NCAA) Men’s Final Four Championship, and the 2014 USA Track and Field National Championship, 2015 NCAA Men’s Basketball Regional and 2016 Amateur Athletic Union Junior Olympics] To support these events, the Houston region has over [800] major hotels/motels, totaling approximately [74,000] rooms. “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 <u>Tax Receipts</u>	Annual Increase <u>(Decrease)</u>	Vehicle Rental <u>Tax Receipts</u>	Annual Increase <u>(Decrease)</u>	Total <u>Revenues</u>	Annual Increase <u>(Decrease)</u>
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 nine-month period of January 1, 2020 through \_\_\_\_\_, 2020 were \$ \_\_\_\_\_ and \$ \_\_\_\_\_, respectively, for total Revenues of \$ \_\_\_\_\_ for such period. Receipts of the Hotel Occupancy Tax for the first and second calendar quarters of 2020 decreased over the same calendar quarters of 2019 by \_\_\_\_\_%, \_\_\_\_\_% and \_\_\_\_\_%, respectively. Receipts of the Vehicle Rental Tax for the first and second calendar quarters of 2020 decreased over the same calendar quarters of 2019 by \_\_\_\_\_%, \_\_\_\_\_% and \_\_\_\_\_%, respectively. 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 January 1, 2019 through May 30, 2020. See “INVESTMENT CONSIDERATIONS — Sufficiency of Revenues and Astros Payments,” “INFECTIOUS DISEASE OUTBREAK - COVID-19” and “Schedule III – Pro Forma Additional Bonds Test Calculation.”

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### Schedule 3 — Top Ten HOT Taxpayers for Fiscal Year 2019

<u>Name</u>	<u>Total Collections<sup>(1)</sup></u>
Houston Marriot Marquis	\$1,174,486
Hilton Americas Houston	1,080,113
Hyatt Regency Houston	694,491
Four Season Hotel	498,069
Houston Airport Marriott	448,522
Weston Galleria Houston	433,376
The Post Oak Hotel	399,913
Marriot Galleria	396,890
Marriot Houston Westchase	370,347
Marriott Houston Medical Center	367,505

Source: Office of the Harris County Tax Assessor Collector

(1) Due to COVID-19 collections have 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, 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 2020 Bonds are being issued as Senior Lien Bonds pursuant to the Indenture. 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 and Second Lien Bonds. See "Additional Senior, Second and Junior Lien Bonds."

### 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). See "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 "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**

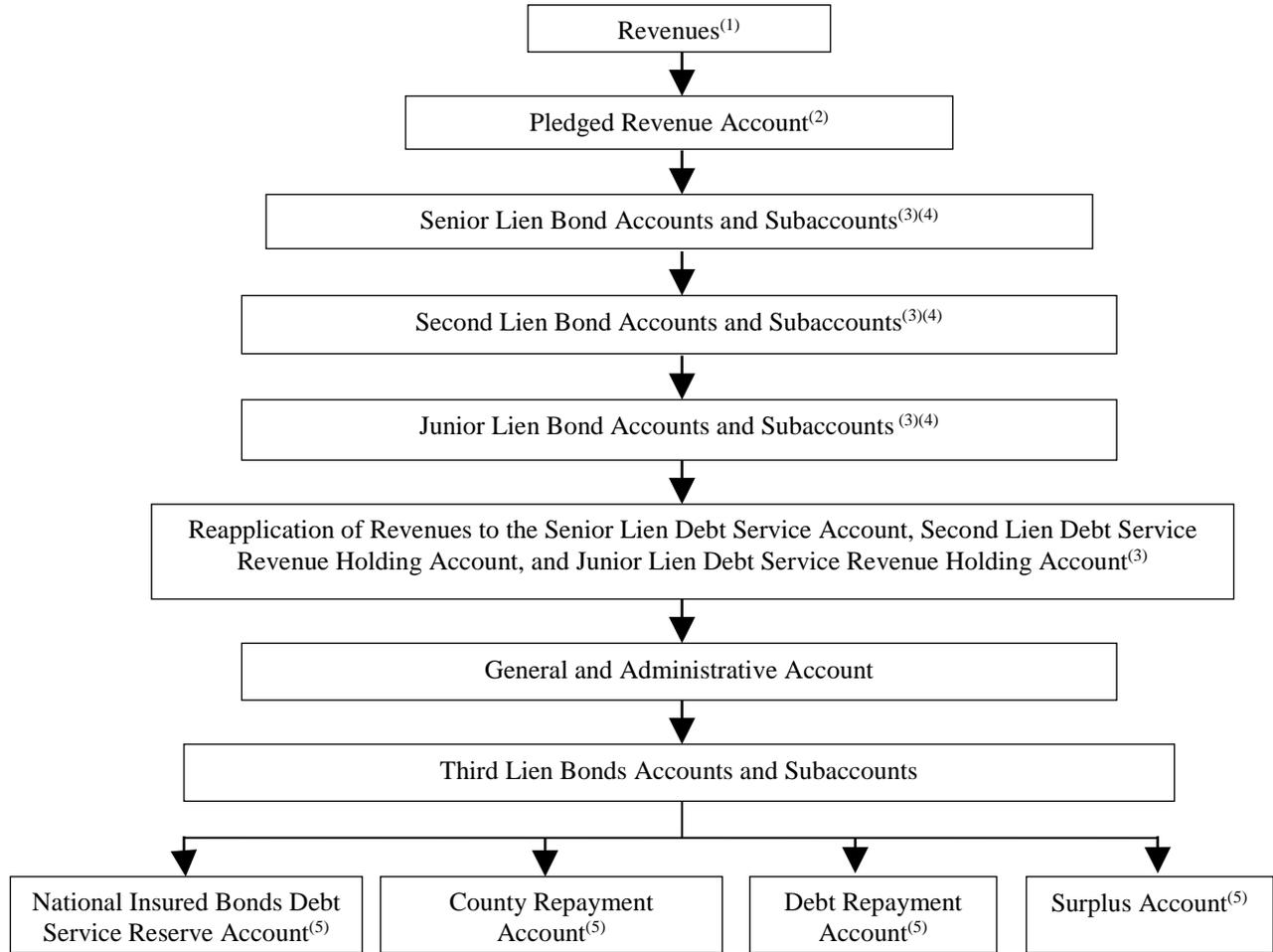
Additional Bonds, and Astros Payments are included in Pro Forma Available Revenues for the purposes of issuing certain Additional Bonds. See “Additional Senior, Second and Junior Lien Bonds.”

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.”

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**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. 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.” For a diagram summarizing the application of Astros Payments under the terms of the Indenture, see “Flow of Funds for Astros Payments — Diagram.” [Flow of Funds being updated by Thirty-First Supplemental Indenture]



(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.”

(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.

(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” 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.

**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

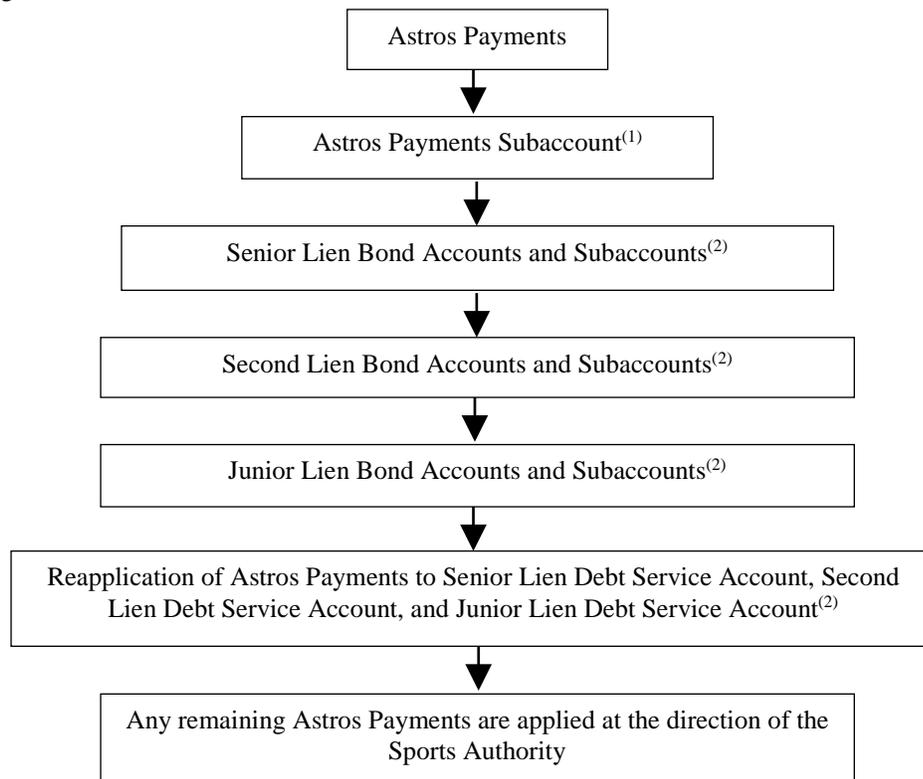
the next succeeding November 15 for the current Bond Year, and (iii) third, to the Junior Lien Debt Service Revenue Holding Account for the credit of each Subaccount of the Junior Lien Debt Service Account until there has been deposited to such Subaccounts for all Junior Lien Bonds the Adjusted Debt 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.
- 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.
- 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. See “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.”




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(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 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, then the Trustee shall release such previously deposited Revenues from such Accounts or Subaccounts for deposit to the Pledged Revenue Account immediately upon deposit of the Astros Payments and will be applied as set forth in the Indenture and described in “Flow of Funds for Revenues — Flow of Funds” above.

#### **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. 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 Master Indenture. 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, 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 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, 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.***

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.

See “SCHEDULE III — PRO FORMA ADDITIONAL BONDS TEST CALCULATION.”

#### **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 appraisal, 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 appraisal 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, including but not limited to, "SCHEDULE III — PRO FORMA ADDITIONAL BONDS TEST CALCULATION," 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 FINANCING – Background, Tender and Purpose – *Background*" and "DESCRIPTION OF PLEDGED REVENUES - *Schedule 2 — Historical Revenues.*"

Receipts of the Hotel Occupancy Tax largely depend on the occupancy and average daily rates ("ADR") 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. 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, because a 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 currently is \$\_\_\_\_\_, and as set forth in “DESCRIPTION OF PLEDGED REVENUES — Schedule 2 — Historical Revenues,” the total amount of Revenues received by the Sports Authority in calendar year 2019 was \$59,093,839 and total revenues for calendar year 2020 through September 30, 2020 are \$\_\_\_\_\_. Accordingly, the Astros Payments represented approximately \_\_\_\_\_% of the total Revenues and Astros Payments received by the Sports Authority in calendar year 20\_\_\_\_. [As described in “DESCRIPTION OF PLEDGED REVENUES – Agreements Relating to Minute Made Park – *Ball Park Lease*,” the Astros have requested Rent Credit for four Astros Games cancelled due to governmental orders issued because of the Pandemic.] See “INFECTIOUS DISEASE OUTBREAK - COVID-19.”

### **Bond Insurance**

Payment of the principal of and interest on the Insured 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 Insured Series 2020 Bonds when all or some becomes due, any owner of the Insured 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 Insured 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 Insured 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 Insured Series 2020 Bonds, no assurance is given that such event will not adversely affect the market price of the Insured Series 2020 Bonds or the marketability (liquidity) for the Insured Series 2020 Bonds.

The long-term ratings on the Insured 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 Insured 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 Insured Series 2020 Bonds or the marketability (liquidity) for the Insured 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 Insured Series 2020 Bonds and the Policy, which includes further instructions for obtaining current financial information concerning the Insured 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 Insured Series 2020 Bonds based upon the issuance of the Policy by AGM at the time of delivery of the Insured 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 \_\_\_\_\_. (“\_\_\_” 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.*

*[To Come from Bond Insurer]*

## **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 AMG, within one year of any deposit, the amount of such

deposit made by AMG 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 AMG, 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.

**SPORTS AUTHORITY DEBT SERVICE SCHEDULE**

## **DESCRIPTION OF OTHER SPORTS AUTHORITY REVENUES NOT PLEDGED TO THE SERIES 2020 BONDS**

*The Trust Estate established under the Indenture does not include the revenues described below, and, therefore, such revenues are not pledged as security for the payment of the Series 2020 Bonds. Accordingly, any failure of the Sports Authority to receive these revenues will not affect the security for the Series 2020 Bonds. Certain of the revenues described below (i) were previously pledged to certain obligations of the Sports Authority that are no longer outstanding, (ii) are currently pledged to secure the payment of certain of the Sports Authority's outstanding subordinate debt obligations (see "PURPOSE AND PLAN OF FINANCE — Subordinate Obligations of the Sports Authority") and (iii) are anticipated to be pledged to secure the payment of the Other Obligations (see "PURPOSE AND PLAN OF FINANCE — Concurrent Issuance of Other Obligations"). To date, the Sports Authority has received all revenues described in this section at the times and in the amounts they were required to be paid or remitted. For additional information regarding such other revenues, see "APPENDIX B — AUDITED FINANCIAL STATEMENTS."*

### **NFL Club Special Revenues**

The term "NFL Club Special Revenues" generally includes the NFL Club Guaranteed Payment described below, as well as admissions and parking tax and sales tax rebate revenues attributable to NFL Club events at NRG Stadium and related parking and infrastructure (which may be credited against the NFL Club's obligation to make the NFL Club Guaranteed Payment or against the NFL Club's payment of game day expenses or certain other obligations of the NFL Club).

Pursuant to a lease agreement the NFL Club has agreed to pay to the Sports Corporation (which has assigned its rights to receive such payments to the Sports Authority) \$4,010,000 per year (the "NFL Club Guaranteed Payment"). The NFL Club has agreed to make the NFL Club Guaranteed Payment each April 15 for a period of thirty years, commencing in April, 2002.

### **Rodeo Special Revenues**

The term "Rodeo Special Revenues" generally includes the Rodeo Guaranteed Payment described below, as well as admissions ticket tax, parking tax and sales tax rebate revenues, all attributable to Rodeo events at NRG Stadium. Pursuant to a lease agreement, the Rodeo has agreed to pay to the Sports Corporation (which has assigned its rights to receive such payments to the Sports Authority) \$1,500,000 per year payable each February 15 for a period of thirty years (the "Rodeo Guaranteed Payment"), commencing February 15, 2003.

### **Government Special Revenues**

The term "Government Special Revenues" includes admissions tax and sales tax rebate revenues at NRG Stadium attributable to certain Harris County events at NRG Stadium (which generally includes all events at NRG Stadium that are not sponsored by the NFL Club or the Rodeo).

### **Rocket Annual Payments**

Revenues attributable to a lease agreement between the Sports Authority and the Rockets consist of the Rockets' annual payment of \$8.5 million (with a portion thereof being directly placed in capital and maintenance funds and a portion being paid to the City of Houston for naming rights) (the "Rocket Annual Payment").

## **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) <sup>(1)</sup>
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
Director .....	Cindy Clifford	Business Executive	City	2020
Director .....	Dr. Sanchez Munoz <sup>(2)</sup>	University Executive	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 .....	Robert Woods	CEO of Non Profit	City	2021
Director .....	Joseph Alan Cullier	Attorney	County	2021

<sup>(1)</sup> 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.

<sup>(2)</sup> Dr. Munoz has tendered his resignation but will continue to serve as a Director until a replacement is appointed by the City.

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 Compass 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.

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**Schedule 4 — Sports Authority 2020 Budget<sup>(1)</sup>**

**2020 Adopted Budget - General Fund**

**REVENUES<sup>(2)</sup>**

Vehicle Rental Tax Revenues	\$24,168,197
Hotel Occupancy Tax Revenues	28,344,786
Rent & Royalty Income — Astros Payments <sup>(3)</sup>	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<sup>(4)</sup>** \$4,791,648

**Excess of Revenues over Expenditures** \$83,466,771

<sup>(1)</sup> The 2020 Budget was adopted prior to COVID-19. The next budget will be adopted in December 2020.

<sup>(2)</sup> 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.” Certain of the other revenues shown in the foregoing schedule (i) were previously pledged to certain obligations of the Sports Authority that are no longer outstanding, and (ii) are currently pledged to secure the payment of certain of the Sports Authority’s outstanding subordinate debt obligations (see “PURPOSE AND PLAN OF FINANCE — Subordinate Obligations of the Sports Authority”), and [(iii) are pledged to the payment of the Other Obligations]. See also, “DESCRIPTION OF OTHER SPORTS AUTHORITY REVENUES NOT PLEDGED TO THE SERIES 2020 BONDS.”

<sup>(3)</sup> 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 royalties), 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” and “Agreements Relating to Minute Maid Park.”

<sup>(4)</sup> 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, particularly Chapter 2256, Texas Government Code, as amended, the Sports Authority is authorized to invest its funds and funds held by the Trustee in (1) obligations of the United States or its agencies and instrumentalities, including letters of credit; (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 is 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) certificates of deposit or share certificates that are issued by a depository institution that has its main 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 successors, or are secured by obligations described in clauses (1) through (6) above or in any other manner and amount provided by law for Sports Authority deposits, (8) fully collateralized repurchase agreements that: (a) have a defined termination date, (b) are secured by a combination of cash and obligations described in clause (1) above, (c) 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 (d) are placed through a primary government securities dealer or a financial institution doing business in the State, (9) certain bankers' acceptances with a stated maturity of 270 days or less, if the short-term obligations of the accepting bank or its parent are rated at least "A-1" or "P-1" or the equivalent by at least one nationally-recognized credit rating agency, (10) commercial paper with a stated maturity of 270 days or less that is rated at least "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, (11) no-load money market mutual funds registered with and regulated by the United States Securities and Exchange Commission (the "SEC") that have a dollar weighted average stated maturity of 90 days or less and include in their investment objectives the maintenance of a stable net asset value of \$1 for each share, and (12) no-load mutual funds registered with the SEC that have an average weighted maturity of less than two years, invest exclusively in obligations described in this paragraph, and are continuously rated as to investment quality by at least one nationally-recognized investment rating firm of not less than "AAA" or its equivalent. In addition to the authority to invest funds in certificates of deposit as described in clause (7) above, an investment in certificates of deposit made in accordance with the following conditions is an authorized investment under State law: (a) the funds are invested by the Sports Authority through a broker that has its main office or a branch office in the State and is selected from a list adopted by the investing entity as required by State law or a depository institution that has its main office or a branch office in the State and that is selected by the Sports Authority, (b) the selected broker or depository institution 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 selected depository institution as custodian for the Sports Authority with respect to the certificates of deposit issued for the account of the Sports Authority. In addition, bond proceeds may be invested under State law 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 in an amount at least equal to the amount of bond proceeds invested under such contract, other than the prohibited obligations described in the next succeeding paragraph. Additionally, the State law provides that a securities lending program is an authorized investment for the Sports Authority if (a) the value of the securities loaned under the program is fully collateralized (including accrued income), (b) a loan made under the program provides that it may be terminated at any time, and (c) certain other requirements of State law are satisfied, including, but not limited to, that the loan made under the program is secured by obligations described in clauses (1) through (6) above, certain letters of credit or certain other obligations pursuant to State law.

The Sports Authority may invest in such obligations directly or through government investment pools that invest solely in such obligations (and money market mutual funds, to the extent permitted by and consistent with State law) provided that the pools are rated no lower than “AAA” or “AAA-m” or an equivalent by at least one nationally-recognized rating service. Under State law, the Sports Authority may also contract with an investment management firm that is registered under either the Investment Advisers Act of 1940 (15 U.S.C. Sections 80b-1 et seq.) or 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 collateral 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 is generally consistent with the foregoing requirements of State law; however, such investment policy currently contains certain additional restrictions that are not currently required by State law, such as: (1) it does not permit investment in certain of the authorized investments described above under "Legal Investments," such as (A) bonds issued, assumed or guaranteed by the State of Israel, (B) bankers' acceptances, (C) collateralized mortgage obligations, and (D) any obligation whose interest rate is determined by an index that adjusts opposite to the changes in a market index, (2) limitations on the maturity and weighted average maturity of certain investments, and (3) direct obligations of any agency of the State must have the same debt rating as the State. The Sports Authority's investment policy is subject to change at any time. 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 — General," "PURPOSE AND PLAN OF FINANCE — Refunded Obligations," "PURPOSE AND PLAN OF FINANCE — Concurrent Issuance of Other Obligations," "DESCRIPTION OF THE SERIES 2020 BONDS" (except for "Accreted Value of Series 2020A CABs"), "DESCRIPTION OF PLEDGED REVENUES — Hotel Occupancy Tax," "DESCRIPTION OF PLEDGES 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 LLP, 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, LLP 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, [which law firm represents AGM in connection with the issuance of the Series 2020 Bonds.] Mr. Oakley is not directly involved in the representation of AGM.

## **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 Insured Series 2020 Bonds are expected to receive insured ratings of “\_\_\_” and “\_\_\_” from S&P and Moody's, respectively, with the understanding that upon delivery of the [Insured Series 2020

Bonds], a policy guaranteeing the scheduled payment of principal of (or, in the case of the Series 2020A CABs, the accreted value) and interest on the [Insured 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. [The Financial Advisor 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](http://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 shall provide its audited financial statements for the applicable fiscal year to the MSRB when such 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;

For the purposes of the event identified in this paragraph 12, the event 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.

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.

As used in clauses (15) and (16) in the immediately preceding paragraph, “Financial Obligation” means a (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities as to which a final official statement (as defined in Rule 15c2-12) has been provided to the MSRB consistent with Rule 15c2-12, and (C) 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 (the “2018 Release”) and any further written guidance provided by the SEC or its staff with respect to the amendments to Rule 15c2-12 effected by the 2018 Release.

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 or Series 2020B 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 (determined on the basis of Accreted Value as of the most recent interest payment date for the Series 2020A CABs) 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. 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.

## **Compliance with Prior Undertakings**

For information regarding the Sports Authority's compliance with its prior undertakings entered into in accordance with the Rule, see the Sports Authority's filing with respect to the Sports Authority's Outstanding Bonds under the heading "Failure to Provide Annual Financial Information" on EMMA at [www.emma.msrb.org](http://www.emma.msrb.org).

## **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.

[As Dealer Manager, Wells Fargo Securities will be compensated in an amount equal to a percentage of the aggregate principal amount of Subject Bonds tendered and accepted for purchase.]

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 Issuer'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**

<u>Bond</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>CUSIP No.</u>	<u>Call Date</u>	<u>Call Price</u>
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<u>Bond</u>	<u>Maturity Date</u>	<u>Yield to Maturity</u>	<u>Original Principal Amount</u>	<u>Accreted Value on Redemption Date</u>	<u>CUSIP No.</u>	<u>Call Date</u>	<u>Call Price</u>
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<u>Bond</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>CUSIP No.</u>	<u>Call Date</u>	<u>Call Price</u>
<u>Bond</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>CUSIP No.</u>	<u>Call Date</u>	<u>Call Price</u>

<u>Bond</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>CUSIP No.</u>	<u>Call Date</u>	<u>Call Price</u>
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<u>Bond</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>CUSIP No.</u>	<u>Call Date</u>	<u>Call Price</u>
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<u>Bond</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>CUSIP No.</u>	<u>Call Date</u>	<u>Call Price</u>
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**SCHEDULE II — ACCRETED VALUES OF SERIES 2020A CABS**

**SCHEDULE III — PRO FORMA ADDITIONAL BONDS TEST CALCULATION**

Schedule III-1

**Junior Lien and Third Lien Additional Bonds Test Calculations<sup>(1)</sup>**

Schedule III-2

## 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 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 Sports Authority and a predecessor trustee to the Trustee.

“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.

“Date of Delivery” means the date that the Series 2020 Bonds are expected to be available for initial delivery to the Underwriters and credited through DTC, as set forth on the front cover page of this Official Statement.

“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

“Insured Series 2020 Bonds” means, collectively \_\_\_\_\_.

“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 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.

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**APPENDIX B**  
**AUDITED FINANCIAL STATEMENTS**

**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 (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 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. Capitalized terms used in the Official Statement and not otherwise defined have the meanings stated in this Official Statement.*

\* \* \* \* \*

**APPENDIX D**

**EXCERPTS OF CERTAIN PROVISIONS OF THE SUPPLEMENTAL INDENTURES**

*Set forth below are certain excerpted provisions of the Twenty-Seventh Supplemental Indenture of Trust, dated as of \_\_\_\_\_, 2020, relating to the Series 2020A Bonds and the Twenty-Eighth Supplemental Indenture of Trust, dated as of \_\_\_\_\_, 2020, relating to the Series 2020B Bonds (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.*

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**APPENDIX E**

**FORMS OF CO-BOND COUNSEL OPINIONS**

*[Form of Co-Bond Counsel opinion relating to the Series 2020A Bonds]*

*[Form of Co-Bond Counsel opinion relating to Series 2020B Bonds]*

**APPENDIX F**  
**SPECIMEN OF BOND INSURANCE POLICY**

## 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](http://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 H**

**FORM OF ESCROW AGREEMENT**

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HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

and

UMB BANK, NATIONAL ASSOCIATION  
Denver, Colorado,  
*as Escrow Agent*

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*ESCROW AGREEMENT*

Dated as of October 1, 2020

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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 Bond, Series 2001G, Junior Lien Revenue Bonds, Series 2001H, Third Lien Revenue Refunding Bonds, Series 2001G, 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, and certain of the interest payments 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 bonds;

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 [Senior Lien Revenue Refunding Bonds, Series 2020A / Taxable Senior Lien Revenue Refunding Bonds, Series 2020B / Taxable Second Lien Revenue Refunding Bonds, Series 2020C] in the original principal amount of \$\_\_\_\_\_ (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 reproduced 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 Public Finance Partners LLC, along with \_\_\_\_\_, 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 certified public accounting firm of national reputation.

“*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.

“*Deposit Date*” means October \_\_, 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 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, to the Issuer addressed to it 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, 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.

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 principal corporate trust office of the Escrow Agent 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 the sum of \$\_\_\_\_\_ 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, 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 appurtenant coupons 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 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. *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 necessary 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 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 or appointment 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.

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 redemption of the Refunded Bonds 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.

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, 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 redemption of the Refunded Obligations in accordance with the provisions of the ordinances 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

UMB BANK, NATIONAL ASSOCIATION  
as Escrow Agent

By: \_\_\_\_\_  
Agent

*EXHIBIT A*  
*VERIFICATION REPORT*

*EXHIBIT B*

*CONFIRMATION OF PURCHASE OF DEFEASED SECURITIES*

*EXHIBIT C*  
*ESCROW AGENT COMPENSATION*

*EXHIBIT D*

*FORM OF NOTICE OF REDEMPTION*

[Separate Notice for each Series or partial Series of Bonds redeemed]

Harris County-Houston Sports Authority  
\$ \_\_\_\_\_ Lien Revenue Bonds, Series \_\_\_\_\_  
(the "Series \_\_\_\_\_ Bonds")  
Issued on \_\_\_\_\_

NOTICE IS HEREBY GIVEN, that \$ \_\_\_\_\_ principal amount of the Series \_\_\_\_\_ Bonds, dated \_\_\_\_\_, maturing \_\_\_\_\_ through \_\_\_\_\_ (the "Refunded Bonds"), have been called for early redemption on \_\_\_\_\_ (the "Redemption Date"), at a redemption price equal to 100% of principal amount of the Refunded Bonds plus accrued interest thereon from the most recent interest payment date to the Redemption Date (the "Redemption Price").

The Redemption Price has been escrowed with UMB Bank, National Association, as Trustee under the Fourth Amended and Restated Indenture of Trust dated as of August 15, 1998, and amended and restated on May 1, 2001, November 1, 2003, June 1, 2004, and December 1, 2014, as Escrow Agent (the "Escrow Agent"). Upon the Redemption Date, the Redemption Price will become due and payable, and interest on the Refunded Bonds will cease to accrue from and after such date.

The Refunded Bonds mature on November 15 of the years shown, and are in the principal amounts for each maturity:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>CUSIP No.</u>
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The Refunded Bonds must be surrendered on the Redemption Date for payment of the Redemption Price at the following address:

<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 <sup>th</sup> Floor Kansas City, MO 64106-2040	UMB Bank CT Operations Mail Stop 1010408 928 Grand Blvd., 4 <sup>th</sup> Floor Kansas City, MO 64106-2040	UMB Bank CT Operations Mail Stop 1010408 928 Grand Blvd., 4 <sup>th</sup> Floor Kansas City, MO 64106-2040

Questions may be addressed to Corporate Trust Operations with the Escrow Agent at 1-800-416-6212.

**EXHIBIT I**

**FORM OF REIMBURSEMENT AGREEMENT**

REIMBURSEMENT AND INDEMNITY AGREEMENT BY AND BETWEEN

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

AND

ASSURED GUARANTY MUNICIPAL CORP.

REGARDING

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

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 \$ \_\_\_\_\_ Senior Lien Revenue Refunding Bonds, Series 2020A (the "Series 2020A Bonds"), its \$ \_\_\_\_\_ Taxable Senior Lien Revenue Refunding Bonds, Series 2020B (together with the Series 2020A Bonds, the "Senior Lien Bonds"), and its \$ \_\_\_\_\_ 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 (he 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 \$\_\_\_\_\_ Senior Lien Revenue Refunding Bonds, Series 2020A, its \$\_\_\_\_\_ Taxable Senior Lien Revenue Refunding Bonds, Series 2020B, and its \$\_\_\_\_\_ 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 \_\_\_\_\_, 20\_\_, 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 No. ____, 31 W. 52 <sup>ND</sup> Street New York, New York 10019 Telephone: (212) 974-0100 Telecopier: (212) 339-3556
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(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-Treasurer  
Board of Directors

**EXHIBIT J**

**FORM OF INVITATION TO BID**

**INVITATION TO OFFER BONDS**  
made by  
**HARRIS COUNTY-HOUSTON SPORTS AUTHORITY**  
(the “Issuer”)

**The Issuer invites Bondowners 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:**

**JUNIOR LIEN REVENUE BONDS, SERIES 2001H (CABS)  
CUSIPs:**

**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 14, 2020

**To make an informed decision as to whether, and how, to offer Bonds, beneficial owners of Bonds  
 (“Bondowners”) 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, LLC  
[insert phone #]**

**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.**

## BONDS INVITED TO BE OFFERED

### SENIOR LIEN REVENUE REFUNDING BONDS, SERIES 2001A (CABs)

<u>CUSIP*</u>	<u>Maturity (November 15)</u>	<u>Original and Outstanding Maturity Amount</u>	<u>First Optional Redemption Date</u>	<u>Accreted Value at Maturity or Redemption Date</u>
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### JUNIOR LIEN REVENUE BONDS, SERIES 2001H (CABs)

<u>CUSIP*</u>	<u>Maturity (November 15)</u>	<u>Original and Outstanding Maturity Amount</u>	<u>First Optional Redemption Date</u>	<u>Accreted Value at Maturity or Redemption Date</u>
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### SENIOR LIEN REVENUE REFUNDING BONDS, SERIES 2014A

<u>CUSIP*</u>	<u>Maturity (November 15)</u>	<u>Interest Rate</u>	<u>Original and Outstanding Principal Amount</u>	<u>First Optional Redemption Date</u>
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### SECOND LIEN REVENUE REFUNDING BONDS, SERIES 2014C

<u>CUSIP*</u>	<u>Maturity (November 15)</u>	<u>Interest Rate</u>	<u>Original and Outstanding Principal Amount</u>	<u>First Optional Redemption Date</u>
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\* 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 term 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 web site 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 web sites 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.

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**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)**

**JUNIOR LIEN REVENUE  
BONDS, SERIES 2001H  
(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 bonds of the Issuer 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 and 2001H are capital appreciation bonds and referred to herein as “*CABs*.” The Bonds designated Series 2001H and 2014C are referred to herein as “*Subordinate 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 Bondowner 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 (iii) on a non-competitive basis by offering to sell Bonds without specifying an offer price. (See Sections 6 and 7 herein.) The Issuer may decide to purchase less than all (or none) of the Bonds offered to the Issuer. (See Section 12 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. Bondowners 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. Bondowners 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 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 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 Bondowner that offered such Bonds and will remain outstanding. The Bondowners whose Bonds are not purchased pursuant to this Invitation will continue to bear the risk of ownership of such Bonds. *The lien securing Subordinate Lien Bonds that are not purchased will be subordinate to liens securing a substantially greater principal amount of Issuer bonds than are currently outstanding, unless the Issuer’s obligations on such Bonds are defeased as described herein.* 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. The Issuer intends and may elect to sell and issue Taxable Senior Lien Revenue Refunding Bonds, Series 2020B (the “*Taxable Refunding Bonds*”) at the same times to fund an escrow to provide for payment [and redemption] of (and defease the lien securing) all or a portion, as elected by the Issuer, of the Bonds that are not purchased by the Issuer as well as associated issuance and transaction costs. 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.

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 then defeasing them 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 times 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 13—"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 "TERMS OF THE INVITATION—Conditions to Delivery" 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 in this Invitation.

Offers submitted after the Expiration Time will not be considered, except as described in Section 14—"Second Look" herein.

See "– 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 Account

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 (the “*ATOP Account*”) at DTC for the offer, tender and payment of Bonds promptly after the date of this Invitation.

**ALL OFFERS TO SELL AND TENDERS OF BONDS MUST BE THROUGH THE ATOP ACCOUNT. THE ISSUER WILL NOT ACCEPT ANY OFFER OR TENDER OF BONDS THAT IS NOT SUBMITTED THROUGH THE ATOP ACCOUNT.**

Bondowners 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 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 ATOP Account. To ensure that Offers are made and Bonds are tendered to the 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 ATOP Account by the Expiration Time. See Section 8--“Tender of Bonds by Financial Institutions; ATOP Account” 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 Account 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 [for Bonds of different series and maturities]. No alternative, conditional or contingent Offers or tenders will be accepted.

**ALL OFFERS FOR AND TENDERS OF BONDS MUST BE MADE THROUGH THE ATOP ACCOUNT. THE ISSUER WILL NOT ACCEPT ANY OFFERS OR TENDERS THAT ARE NOT MADE THROUGH THE ATOP ACCOUNT.** See “– Tender of Bonds by Financial Institutions; ATOP Account” 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 Bondowner may make an Offer to sell Bonds of a particular CUSIP in a par amount 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 par amount 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 Bondowner 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 Bondowner. 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 Bondowner may also make an offer to sell Bonds of a particular CUSIP in a principal amount or maturity value, 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, 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 Account**

The Issuer, through the Tender Agent, will establish for the Bonds of each CUSIP to which this Invitation relates an ATOP Account at DTC 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 5:00 p.m. on the Expiration Time. In order to ensure accurate receipt of each Bondowner'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 ATOP Account.

**ALL OFFERS AND TENDERS OF BONDS MUST BE MADE THROUGH THE ATOP ACCOUNT. THE ISSUER WILL NOT ACCEPT ANY OFFERS OR TENDERS THAT ARE NOT MADE THROUGH THE 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 ATOP Account. To ensure that Offers are submitted and Bonds are tendered to the 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 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 Account) 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 Bondowner 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 Purchase**

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 specifying 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 Bondowners or when such Bonds are returned.

## 12. Determination of Amounts to be Purchase

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 below.

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, Bondowners 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 Issuer’s ATOP Account prior to 5:00 p.m. on the third business day following the Expiration Time. Any Bondowners 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 Bondowner 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 Bondowners 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](http://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, Bondowners 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 Issuer’s 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 Bondowner may submit an amended Offer only for Bonds of CUSIPs that it initially offered and for which the Issuer allows amended Offers.**

**Any Bondowner 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 Purchase**

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 value, as applicable, of the Bonds of such CUSIP offered by each Bondowner at such date and time to the aggregate principal amount or maturity value, 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 Issuer's 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 value, 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 value, 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 Issuer's 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 value, 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 value, 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 value, 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 of Bonds to be accepted from any affected Bondholder so that the principal amount 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 the "Second Look" described in Section 14, 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 value, 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.

**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. *[add outside date?]*

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 for such Bonds (the Purchase Price plus Accrued Interest to the Settlement Date) in immediately available funds on the Settlement Date by deposit of the purchase price with DTC. The Issuer expects that, in accordance with DTC's standard procedures, DTC will transmit the purchase price for such Bonds (including 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 (a) 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 such Bonds and pay associated transaction and issuance costs [and (b) the sale and delivery of the Issuer's Taxable Refunding Bonds on or before the Settlement Date for a price sufficient to fund an escrow to provide for payment [and redemption] of (and defease the lien securing) Bonds that are not purchased by the Issuer on the Settlement Date pursuant to accepted Offers in an amount determined by the Issuer as well as 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, 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 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 page preceding the attachment 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, they 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 the 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 [U.S. Treasury obligations] maturing as to principal and interest at times and in amounts determined to be sufficient to pay when due the principal of 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. [*add value statement or rating consequences?*]

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 to consummate a refunding of all of the Bonds on or around the Settlement Date, all Bonds will remain outstanding and subject to payment risks. If the Issuer chooses not to defease 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 Subordinate Lien Bonds that are not purchased will be subordinate to liens securing a substantially greater principal amount of Issuer bonds than are currently outstanding, unless the Issuer's obligations on such Bonds are defeased as described herein.*

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 [U.S. Treasury] 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.

### **SOLICITING DEALER FEES; ELIGIBLE INSTITUTIONS ARE NOT AGENTS<sup>[RS1]</sup>**

The Issuer agrees to pay or caused to be paid to any commercial bank or trust company having an office, branch or agency in the United States, and any firm which is a member of a registered national securities exchange or of the Financial Industry Regulatory Authority (an “*Eligible Institution*”), a solicitation fee of \$1.25 per \$1,000 on the principal amount (or, in the case of CABs, maturity amount) of Bonds that the Issuer purchases from its Retail Customers pursuant to accepted Offers submitted in response to this Invitation. A “*Retail Customer*” is (a) an individual who owns less than \$250,000 principal amount (or, in the case of CABs, maturity amount) of Bonds and manages his or her own investments or (b) an individual who owns less than \$250,000 principal amount (or, in the case of CABs, maturity amount) of Bonds and whose investments are managed by an investment manager or bank trust department that holds the investments in a separate account in the name of the individual.

A Solicitation Fee Payment Request Form, attached hereto as APPENDIX A, must be completed and returned to the Tender Agent no later than 5:00 p.m., New York City time, on or before the second business day following the Expiration Time, to qualify for a solicitation fee. No payment of a solicitation fee will be made on requests received after this time. No solicitation fee will be paid on requests improperly submitted or for Bonds not purchased by the Issuer.

Eligible Institutions are not agents of the Issuer for this Invitation or Offers submitted in response to this Invitation.

### **DEALER MANAGER**

The Issuer has retained Wells Fargo Bank, N.A. doing business as Wells Fargo Securities (“*Wells Fargo*”) to act on its behalf as Dealer Manager for this Invitation. The Issuer has agreed to pay the Dealer Manager customary fees for its services and to reimburse the Dealer Manager for its reasonable out-of-pocket costs and expenses relating to this Invitation. 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 "TERMS OF THE INVITATION—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:***

[insert]

***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](mailto:rstevens@globic.com)  
Document Website: [www.globic.com/hchsa](http://www.globic.com/hchsa)

**SOLICITATION FEE PAYMENT REQUEST FORM**

*[to come]*

**EXHIBIT K**

**FORM OF TENDER AGENT AGREEMENT**

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**

<b>Bondholder Identification:</b>	<b>\$ 3,000</b>
<b>Information Agent:</b>	<b>\$ 6,000</b>
<b>Tender Agent:</b>	<b>\$ 6,000</b>
<b>Dutch Auction:</b>	<b>\$ 400 per CUSIP</b>
<b>Second Look (If Necessary):</b>	<b>\$ 200 per CUSIP</b>

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

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**To: Globic Advisors**

Please proceed with the execution of the services as described in this letter.

**By: Harris County Houston Sports Authority**

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J. Kent Friedman  
Chairman of the Board

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Date

**EXHIBIT L**

**FORM OF DEALER MANAGER AGREEMENT**

## DEALER MANAGER AGREEMENT

### HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

SENIOR LIEN REVENUE  
REFUNDING BONDS,  
SERIES 2001A (CABS)

JUNIOR LIEN  
REVENUE BONDS,  
SERIES 2001H  
(CABS)

SENIOR LIEN  
REVENUE  
REFUNDING BONDS,  
SERIES 2014A

SECOND LIEN  
REVENUE REFUNDING  
BONDS, SERIES  
2014C

August \_\_, 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. The Tender Offer will be on the terms and subject to the conditions set forth in the Offer Material.

#### **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 holders 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 Manger 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 and Taxable Senior Lien Revenue Refunding Bonds, Series 2020B and Taxable Second Lien Revenue Refunding Bonds, Series 2020C (the "Refunding Bonds") and the 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 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 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 gross 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 holders 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 holder 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 \$\_\_\_\_\_ for each \$1,000 principal amount of Securities tendered

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.

(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) The Sports Authority will accept the tendered Securities and have available funds to pay the cash consideration payable to holders 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) 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 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 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, a reasonable time prior to filing with EMMA, or sending to any holder 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.

(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, Hunton Andrews Kurth LLP (counsel to the Sports Authority) shall have furnished to the Dealer Manager its opinion dated as of the Closing Date, in substantially the form set forth in Exhibit A attached hereto.

(d) On the Closing Date, Bracewell LLP and West & Associates LLP (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 B attached hereto .

(e) On the Closing Date, 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 C 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 as of the date hereof and as of the Closing Date; (ii) the Sports Authority has complied 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 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) 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; 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 gross 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 gross 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 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 Manger 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.]

*[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

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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

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By:  
Title:

## Exhibit A

## **Exhibit B**

## Exhibit C