

ORDINANCE NO. 2374\_\_\_\_\_

ORDINANCE AUTHORIZING THE ISSUANCE OF CITY OF SUGAR LAND, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2025; SETTING CERTAIN PARAMETERS FOR THE CERTIFICATES; AUTHORIZING THE PRICING OFFICER TO APPROVE THE AMOUNT, INTEREST RATE, PRICE, AND TERMS THEREOF; AND CERTAIN OTHER PROCEDURES AND PROVISIONS RELATING THERETO

THE STATE OF TEXAS §  
COUNTY OF FORT BEND §  
CITY OF SUGAR LAND §

WHEREAS, the City Council of the City of Sugar Land, Texas (the “City”), authorized the publication of a notice of intention to issue certificates of obligation to the effect that the City Council would meet on April 15, 2025, to adopt an ordinance and take such other actions as may be deemed necessary to authorize the issuance of certificates of obligation (the “Certificates”) payable from ad valorem taxation and from net revenues of the City’s waterworks and sanitary sewer system (the “Net Revenues”), for the purpose of evidencing the indebtedness of the City for all or any part of the costs associated with (i) the restoration of historic structures within the City’s Imperial Historic District, including the acquisition of approximately 45 acres of land located immediately north of US-90A and between Ulrich Street and Wood Street in the City therefore, (ii) the construction or acquisition of and/or improvements to the City’s utility system, (iii) the construction or acquisition of and/or improvements to the City’s streets and related drainage, and (iv) the cost of professional services incurred in connection therewith; and

WHEREAS, such notice was published at the times and in the manner required by the Constitution and laws of the State of Texas and of the United States of America, respectively, particularly Subchapter C of Chapter 271, Texas Local Government Code; and

WHEREAS, Section 271.047(d), Texas Local Government Code, provides that the City may not authorize the issuance of the Certificates if a bond proposition to authorize the issuance of bonds for the same purpose was submitted to the voters during the preceding three years and failed to be approved; and

WHEREAS, the City Council hereby finds that no such bond proposition was submitted to the voters of the City during the preceding three years; and

WHEREAS, no petition or other request has been filed with or presented to any official of the City requesting that any of the proceedings authorizing the Certificates be submitted to a referendum or other election; and

WHEREAS, the City has a principal amount of at least \$100,000,000 in a combination of outstanding long-term indebtedness and long-term indebtedness proposed to be issued, and some amount of such long-term indebtedness is rated in one of the four highest rating categories for long-term debt instruments by a nationally recognized rating agency for municipal securities

without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation, and therefore, the City qualifies as an “Issuer” under Chapter 1371, Texas Government Code; and

WHEREAS, pursuant to Section 1371.053, Texas Government Code, the City desires to delegate the authority to the City Manager to effect the sale of the Certificates, from time to time and in one or more installments; Now, Therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SUGAR LAND:

1. Recitals. It is hereby found and determined that the matters and facts set out in the preamble to this Ordinance are true and correct.

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

“Act” means Subchapter C of Chapter 271, Texas Local Government Code.

“Blanket Letter of Representations” means the Blanket Letter of Representations between the City, the Registrar, and DTC.

“Business Day” means any day that is not a Saturday, Sunday, a day on which Registrar is authorized by law or executive order to close, or a legal holiday.

“Certificate” or “Certificates” means the City of Sugar Land, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2025 authorized in this Ordinance, unless the context clearly indicates otherwise.

“City” means the City of Sugar Land, Texas.

“City Manager” means Michael Goodrum or any successor serving in such office.

“City Secretary” means Linda Mendenhall or any successor serving in such office.

“Closing Date” means the date of the initial delivery of and payment for the Certificates.

“Code” means the Internal Revenue Code of 1986.

“Comptroller” means the Comptroller of Public Accounts of the State of Texas.

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

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

“Interest and Sinking Fund” means the interest and sinking fund for payment of the Certificates established by the City in Section 19 of this Ordinance.

“Initial Certificate” means the Initial Certificate authorized by Section 5(d).

“Initial Purchaser” means the firm or syndicate that is the initial purchaser of the Certificates, as specified in Officer’s Pricing Certificate.

“Interest Payment Date,” when used in connection with any Certificate, means   1  , and each   2   and   3   thereafter until maturity or earlier redemption.

“Mayor” means Joe Zimmerman or any successor serving in such office. In the event of the Mayor’s absence, this term shall include the Mayor Pro Tem.

“Officer’s Pricing Certificate” means the certificate signed by the Pricing Officer and containing the information regarding each issuance of the Certificates specified herein.

“Ordinance” as used herein and in the Certificates means this ordinance authorizing the Certificates.

“Owner” means any person who shall be the registered owner of any outstanding Certificate.

“Pricing Officer” means the City Manager or any successor in that office.

“Purchase Agreement” means the agreement or bid form between the City and the Initial Purchaser, as described in Section 4 of this Ordinance.

“Record Date” means, for any Interest Payment Date, the close of business on the last Business Day of the month next preceding such Interest Payment Date.

“Register” means the books of registration kept by the Registrar that the names and addresses of and the principal amounts registered to each Owner are maintained.

“Registrar” means The Bank of New York Mellon Trust Company, National Association, Dallas, Texas, and its successors in that capacity.

3. Authorization. The Certificates shall be issued pursuant to the Act in fully registered form, without coupons, in the total authorized principal amount not to exceed \$50,000,000 for the purpose of evidencing the indebtedness of the City for all or any part of the

---

<sup>1</sup> Insert from Officer’s Pricing Certificate.

<sup>2</sup> Insert from Officer’s Pricing Certificate.

<sup>3</sup> Insert from Officer’s Pricing Certificate.

costs associated with (i) the restoration of historic structures within the City's Imperial Historic District, including the acquisition of approximately 45 acres of land located immediately north of US-90A and between Ulrich Street and Wood Street in the City therefore, (ii) the construction or acquisition of and/or improvements to the City's utility system, (iii) the construction or acquisition of and/or improvements to the City's streets and related drainage, and (iv) the cost of professional services incurred in connection therewith.

4. Delegation of Authority. As authorized by Chapter 1371, Texas Government Code, the Pricing Officer is hereby individually authorized to act on behalf of the City through a date one year from the date of this Ordinance, from time to time, in selling and delivering one or more series of Certificates, subject to the conditions and carrying out the other procedures as set forth below. Certificates sold pursuant to a Purchase Agreement executed on or before the expiration date above may be delivered after such date, provided that such delivery date shall occur within ninety (90) days of the sale of the Certificates.

- (a) Designation, Date, and Interest Payment Dates. The Certificates shall be designated as the "CITY OF SUGAR LAND, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 4" and more fully described in the Officer's Pricing Certificate.
- (b) Date, Denomination, Interest Rates, and Maturities. The Certificates shall be dated, mature on the dates in each of the years and in the amounts set out in any Officer's Pricing Certificate, shall be subject to prior optional and mandatory redemption on the dates, for the redemption prices and in the amounts, set out in the Officer's Pricing Certificate and shall bear interest at rates and from their issue date as set out in the Officer's Pricing Certificate payable on each Interest Payment Date.
- (c) Selling and Delivering Certificates. The Pricing Officer is hereby authorized to act on behalf of the City in selling and delivering the Certificates and carrying out the other procedures specified in this Ordinance, including, without limitation, determining the date on and price at which the Certificates will be sold, the method and manner of sale (public or private; competitive or negotiated), the issuance date and dated date of the Certificates, the designation or title of the Certificates, the years in which the Certificates will mature, the aggregate principal amount of the Certificates, the principal amount or Maturity Amount, as the case may be, to mature in each year of maturity, the rate of interest to be borne by each such maturity, the interest payment and record dates, any redemption terms and provisions (including terms and provisions for optional and mandatory sinking fund redemption), whether to apply for municipal bond insurance, and all other matters relating to the issuance, sale and delivery of the Certificates, all of which shall be specified in the Officer's Pricing Certificate; provided that:
  - (i) the aggregate par amount of the Certificates issued hereunder shall never exceed the aggregate maximum principal amount authorized

---

<sup>4</sup> Insert from Officer's Pricing Certificate.

in Section 3 of this Ordinance; and

(ii) the true interest rate on the Certificates shall not exceed 4.75%.

(d) Sale; Purchase Agreement. The Certificates shall be sold and delivered to the Initial Purchaser at a price to be set forth in the Officer's Pricing Certificate in accordance with the terms of one or more Purchase Agreements to be approved by the Pricing Officer. The Pricing Officer is hereby authorized and directed to execute one or more Purchase Agreements on behalf of the City, and the Mayor, the City Secretary, and all other officers, agents and representatives of the City are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Certificates.

(e) Use of Proceeds. Except as otherwise set forth in the Officer's Pricing Certificate, proceeds from the sale of the Certificates shall, promptly upon receipt by the City, be applied as follows:

- (i) Net premium on the Certificates in the amount of \$<sup>5</sup>\_\_\_\_\_ shall be used to pay the costs of issuance.
- (ii) Net premium on the Certificates in the amount of \$<sup>6</sup>\_\_\_\_\_ shall be used to pay the Initial Purchaser's discount.
- (iii) Certificate proceeds in the amount of \$<sup>7</sup>\_\_\_\_\_, including net premium in the amount of \$<sup>8</sup>\_\_\_\_\_, shall be deposited to the Construction Fund and used to accomplish the purposes set out in Section 3 of this Ordinance.
- (iv) Any Certificate proceeds remaining after accomplishing the purposes set out in Section 3 of this Ordinance, including earnings on investments of such proceeds, shall be transferred to the Interest and Sinking Fund.

5. Execution of Certificates; Seal. (a) The Certificates shall be signed on behalf of the City by the Mayor and countersigned by the City Secretary, by their manual, lithographed, or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Certificates shall have the same effect as if each of the Certificates had been signed manually and in person by each of said officers, and such facsimile seal on the Certificates shall have the same effect as if the official seal of the City had been manually impressed upon each of the Certificates.

---

<sup>5</sup> Insert from Officer's Pricing Certificate.

<sup>6</sup> Insert from Officer's Pricing Certificate.

<sup>7</sup> Insert from Officer's Pricing Certificate.

<sup>8</sup> Insert from Officer's Pricing Certificate.

(b) If any officer of the City whose manual or facsimile signature shall appear on the Certificates shall cease to be such officer before the authentication of such Certificates or before the delivery of such Certificates, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Certificate shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Registrar's Authentication Certificate substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Registrar. In lieu of the executed Registrar's Authentication Certificate described above, the Initial Certificate delivered at the Closing Date shall have attached hereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller, or by his duly authorized agent, which certificate shall be evidence that the Initial Certificate has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and has been registered by the Comptroller.

(d) On the Closing Date, the Initial Certificate, being a single certificate representing the entire principal amount of the Certificates, payable in stated installments to the Initial Purchaser or its designee, executed by manual or facsimile signature of the Mayor and City Secretary of the City, approved by the Attorney General, and registered and manually signed by the Comptroller, shall be delivered to the Initial Purchaser or its designee. Upon payment for the Initial Certificate, the Registrar shall cancel the Initial Certificate and deliver definitive Certificates to DTC.

6. Payment of Principal and Interest. The Registrar is hereby appointed as the paying agent for the Certificates. The principal of the Certificates shall be payable, without exchange or collection charges, in any coin or currency of the United States of America that, on the date of payment, is legal tender for the payment of debts due the United States of America, upon their presentation and surrender as they become due and payable at the principal payment office of the Registrar in Dallas, Texas. The interest on each Certificate shall be payable by check payable on the Interest Payment Date, mailed by the Registrar on or before each Interest Payment Date to the Owner of record as of the Record Date, to the address of such Owner as shown on the Register.

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

7. Successor Registrars. The City covenants that at all times while any Certificates are outstanding it will provide a commercial bank or trust company organized under the laws of the United States or any state and duly qualified and legally authorized to serve as Registrar for the Certificates. The City reserves the right to change the Registrar on not less than sixty (60) days written notice to the Registrar, so long as any such notice is effective not less than sixty (60) days prior to the next succeeding principal or interest payment date on the Certificates. Promptly upon the appointment of any successor Registrar, the previous Registrar shall deliver the Register or copies thereof to the new Registrar, and the new Registrar shall notify each Owner, by United States mail, first class postage prepaid, of such change and of the address of the new Registrar. Each Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Section.

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

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

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

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

Each Certificate shall be transferable only upon the presentation and surrender thereof at the principal payment office of the Registrar in Dallas, Texas, duly endorsed for transfer, or accompanied by an assignment duly executed by the registered Owner or his authorized representative in form satisfactory to the Registrar. Upon due presentation of any Certificate in proper form for transfer, the Registrar shall authenticate and deliver in exchange therefor, within three (3) Business Days after such presentation, a new Certificate or Certificates, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Certificate or Certificates so presented.

All Certificates shall be exchangeable upon presentation and surrender at the principal payment office of the Registrar in Dallas, Texas, for a Certificate or Certificates of like maturity and interest rate and in any authorized denomination, in an aggregate amount equal to the unpaid principal amount of the Certificate or Certificates presented for exchange. The Registrar shall be and is hereby authorized to authenticate and deliver exchange Certificates in accordance with the provisions of this Section. Each Certificate delivered in accordance with this Section shall be

entitled to the benefits and security of this Ordinance to the same extent as the Certificate or Certificates in lieu of which such Certificate is delivered.

The City or the Registrar may require the Owner of any Certificate 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 Certificate. Any fee or charge of the Registrar for such transfer or exchange shall be paid by the City.

11. Mutilated, Lost, or Stolen Certificates. Upon the presentation and surrender to the Registrar of a mutilated Certificate, the Registrar shall authenticate and deliver in exchange therefor a replacement Certificate of like maturity, interest rate, and principal amount, bearing a number not contemporaneously outstanding. If any Certificate is lost, apparently destroyed, or wrongfully taken, the City, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Certificate has been acquired by a bona fide purchaser, shall authorize and the Registrar shall authenticate and deliver a replacement Certificate of like maturity, interest rate, and principal amount, bearing a number not contemporaneously outstanding.

The City or the Registrar may require the Owner of a mutilated Certificate to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Registrar. The City or the Registrar may require the Owner of a lost, apparently destroyed, or wrongfully taken Certificate, before any replacement Certificate is issued, to:

- (1) furnish to the City and the Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Certificate;
- (2) furnish such security or indemnity as may be required by the Registrar and the City to save them harmless;
- (3) pay all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Registrar and any tax or other governmental charge that may be imposed; and
- (4) meet any other reasonable requirements of the City and the Registrar.

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

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

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

12. Cancellation of Certificates. All Certificates paid in accordance with this Ordinance, and all Certificates in lieu of which exchange Certificates or replacement Certificates are authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of proper records regarding such payment. The Registrar shall furnish the City with appropriate certificates of destruction of such Certificates.

13. Book-Entry System. (a) The Initial Certificate shall be registered in the name designated in the Officer's Pricing Certificate. Except as provided in Section 14 hereof, all other Certificates shall be registered in the name of Cede & Co., as nominee of DTC.

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

14. Successor Securities Depository; Transfer Outside Book-Entry Only System. In the event that the City in its sole discretion, determines that the beneficial owners of the Certificates shall be able to obtain certificated Certificates, or in the event DTC discontinues the services described herein, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, notify DTC and DTC

Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Certificates to such successor securities depository or (ii) notify DTC and DTC Participants, as identified by DTC, of the availability through DTC of Certificates and transfer one or more separate Certificates to DTC Participants having Certificates credited to their DTC accounts, as identified by DTC. In such event, the Certificates shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Certificates shall designate, in accordance with the provisions of this Ordinance.

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

16. Optional and/or Mandatory Redemption; Defeasance. The Certificates are subject to optional redemption and/or mandatory redemption as set forth in the Form of Certificate in this Ordinance and the Officer's Pricing Certificate.

Principal amounts may be redeemed only in integral multiples of \$5,000. If a Certificate subject to redemption is in a denomination larger than \$5,000, a portion of such Certificate may be redeemed, but only in integral multiples of \$5,000. Upon surrender of any Certificate for redemption in part, the Registrar, in accordance with Section 10 hereof, shall authenticate and deliver in exchange therefor a Certificate or Certificates of like maturity, Closing Date, and interest rate in an aggregate principal amount equal to the unredeemed portion of the Certificate so surrendered.

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

The Certificates may be discharged, defeased, redeemed, or refunded in any manner now or hereafter permitted by law.

17. Forms. The form of the Certificates, including the form of Registration Certificate of the Comptroller, which shall be attached or affixed to the Initial Certificate, the form of the Registrar's Authentication Certificate, and the form of Assignment, shall be, respectively, substantially as follows, with such additions, deletions, and variations as may be necessary to conform to the terms specified or desirable and not prohibited by this Ordinance, including any legend regarding bond insurance if such insurance is obtained by the Initial Purchaser.

(a) Form of Certificate.

UNITED STATES OF AMERICA  
STATE OF TEXAS  
COUNTY OF FORT BEND

REGISTERED  
NUMBER

\_\_\_\_\_

REGISTERED  
DENOMINATION  
\$ \_\_\_\_\_

CITY OF SUGAR LAND, TEXAS  
COMBINATION TAX AND REVENUE  
CERTIFICATE OF OBLIGATION  
SERIES   <sup>9</sup>  

INTEREST RATE:

MATURITY DATE:

February 15, 20  

DATED DATE:

  <sup>10</sup>  

CUSIP:

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The City of Sugar Land, Texas (the "City") promises to pay to the registered owner identified above, or registered assigns, on the maturity date specified above, upon presentation and surrender of this Certificate at The Bank of New York Mellon Trust Company, National Association (the "Registrar") at its principal payment office in Dallas, Texas, the principal amount identified above, payable in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due the United States of

\_\_\_\_\_

<sup>9</sup> Insert from Officer's Pricing Certificate.

<sup>10</sup> Insert from Officer's Pricing Certificate.

America, and to pay interest thereon at the rate shown above, calculated on the basis of a 360-day year of twelve 30-day months, from the later of <sup>11</sup> or the most recent interest payment date to which interest has been paid or duly provided for. Interest on this Certificate is payable by check on <sup>12</sup> and <sup>13</sup>, beginning on <sup>14</sup>, mailed to the registered owner of record as of the close of business on the last business day of the month next preceding each interest payment date.

THIS CERTIFICATE is one of a duly authorized issue of certificates of obligation, aggregating \$ <sup>15</sup> (the "Certificates"), issued for the purpose of evidencing the indebtedness of the City for all or any part of the costs associated with (i) the restoration of historic structures within the City's Imperial Historic District, including the acquisition of approximately 45 acres of land located immediately north of US-90A and between Ulrich Street and Wood Street in the City therefore, (ii) the construction or acquisition of and/or improvements to the City's utility system, (iii) the construction or acquisition of and/or improvements to the City's streets and related drainage, and (iv) the cost of professional services incurred in connection therewith; and issued in accordance with the Constitution and laws of the State of Texas, particularly Subchapter C of Chapter 271, Texas Local Government Code, and pursuant to an ordinance duly adopted by the City Council of the City (the "Ordinance"), which Ordinance is of record in the official minutes of the City Council.

THE CITY RESERVES THE RIGHT to redeem Certificates maturing on and after <sup>16</sup>, prior to their scheduled maturities, in whole or from time to time in part, in integral multiples of \$5,000, on <sup>17</sup> or any date thereafter at par plus accrued interest on the principal amounts called for redemption to the date fixed for redemption. Reference is made to the Ordinance for complete details concerning the manner of redeeming the Certificates.

[If applicable, mandatory redemption language]<sup>18</sup>

NOTICE OF ANY REDEMPTION shall be given by the Registrar at least thirty (30) days prior to the date fixed for redemption by first class mail, addressed to the registered owners of each Certificate to be redeemed in whole or in part at the address shown on the books of registration kept by the Registrar. When Certificates or portions thereof have been called for redemption, and due provision has been made to redeem the same, the principal amounts so redeemed shall be payable solely from the funds provided for redemption, and interest which would otherwise accrue

---

<sup>11</sup> Insert from Officer's Pricing Certificate.

<sup>12</sup> Insert from Officer's Pricing Certificate.

<sup>13</sup> Insert from Officer's Pricing Certificate.

<sup>14</sup> Insert from Officer's Pricing Certificate.

<sup>15</sup> Insert from Officer's Pricing Certificate.

<sup>16</sup> Insert from Officer's Pricing Certificate.

<sup>17</sup> Insert from Officer's Pricing Certificate.

<sup>18</sup> Insert from Officer's Pricing Certificate.

on the amounts called for redemption shall terminate on the date fixed for redemption.

THIS CERTIFICATE is transferable only upon presentation and surrender at the principal payment office of the Registrar in Dallas, Texas, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his authorized representative, subject to the terms and conditions of the Ordinance.

THE CERTIFICATES are exchangeable at the principal payment office of the Registrar in Dallas, Texas, for Certificates in the principal amount of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Ordinance.

THIS CERTIFICATE shall not be valid or obligatory for any purpose or be entitled to any benefit under the Ordinance unless this Certificate is either (i) registered by the Comptroller of Public Accounts of the State of Texas by registration certificate attached or affixed hereto or (ii) authenticated by the Registrar by due execution of the authentication certificate endorsed hereon.

THE REGISTERED OWNER of this Certificate, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Ordinance.

THE CITY has covenanted in the Ordinance that it will at all times provide a legally qualified registrar for the Certificates and will cause notice of any change of registrar to be mailed to each registered owner.

IT IS HEREBY certified, recited and covenanted that this Certificate has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, to exist and to be done precedent to or in the issuance and delivery of this Certificate have been performed, exist and have been done in accordance with law; and that annual ad valorem taxes, within the limits prescribed by law, sufficient to provide for the payment of the interest on and principal of this Certificate, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in the City.

IT IS FURTHER certified, recited and represented that the revenues, in an amount not to exceed \$10,000, to be derived from the operation of the City's waterworks and sanitary sewer system, after the payment of all operation and maintenance expenses thereof (the "Net Revenues"), are pledged to the payment of the principal of and interest on the Certificates; provided, however, that such pledge is and shall be junior and subordinate in all respects to the pledge of the Net Revenues to the payment of all outstanding obligations of the City and any obligation of the City, whether authorized heretofore or hereafter, which the City designates as having a pledge senior to the pledge of the Net Revenues to the payment of the Certificates. The City also reserves the right to issue, for any lawful purpose at any time, in one or more installments, bonds, certificates of obligation and other obligations of any kind payable in whole or in part from the Net Revenues, secured by a pledge of the Net Revenues that may be prior and superior in right to, on a parity with, or junior and subordinate to the pledge of the Net Revenues securing the Certificates.

IN WITNESS WHEREOF, this Certificate has been signed with the manual or facsimile signature of the Mayor and countersigned with the manual or facsimile signature of the City

Secretary, and the official seal of the City has been duly impressed, or placed in facsimile, on this Certificate.

CITY OF SUGAR LAND, TEXAS

---

Mayor

---

City Secretary

(SEAL)

(b) Form of Registration Certificate.

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. \_\_\_\_\_

I hereby certify that this Certificate has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Certificate has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS MY SIGNATURE AND SEAL this \_\_\_\_\_.

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

(SEAL)

(c) Form of Registrar's Authentication Certificate.

AUTHENTICATION CERTIFICATE

It is hereby certified that this Certificate has been delivered pursuant to the Ordinance described in the text of this Certificate.

The Bank Of New York Trust Company, National Association, Dallas, Texas  
As Paying Agent/Registrar

By \_\_\_\_\_  
Authorized Signature  
Date of Authentication \_\_\_\_\_

(d) Form of Assignment.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns, and transfers unto

\_\_\_\_\_

(Please print or type name, address, and zip code of Transferee)

\_\_\_\_\_ (Please insert Social Security or Taxpayer Identification Number of Transferee)  
the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints

\_\_\_\_\_ attorney to transfer said Certificate on the books kept for registration thereof, with full power of substitution in the premises.

DATED: \_\_\_\_\_

Signature Guaranteed: \_\_\_\_\_  
Registered Owner

---

---

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

NOTICE: The signature above must correspond to the name of the registered owner as shown on the face of this Certificate in every particular, without any alteration, enlargement or change whatsoever.

(e) The Initial Certificate shall be in the form set forth in paragraphs (a), (b), and (d) of this Section, except for the following alterations:

(i) immediately under the name of the Certificate, the headings “INTEREST RATE” and “MATURITY DATE” shall both be completed with the words “As Shown Below” and the word “CUSIP” deleted;

(ii) in the first paragraph of the Certificate, the words “on the maturity date specified above,” and “at the rate shown above” shall be deleted and the following shall be inserted at the end of the first sentence “..., with such principal to be paid in installments on <sup>19</sup> in each of the years and in the principal amounts identified in the following schedule and with such installments bearing interest at the per annum rates set forth in the following schedule:”

[Information to be inserted from schedule in the Officer’s Pricing Certificate]

(iii) the Initial Certificate shall be numbered I-1.

18. CUSIP Numbers. CUSIP Numbers may be printed on the Certificates, but errors or omissions in the printing of such numbers shall have no effect on the validity of the Certificates.

19. Interest and Sinking Fund; Tax Levy. There is hereby established a separate fund of the City to be known as the “City of Sugar Land, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2025 Interest and Sinking Fund” (the “Interest and Sinking Fund”), which shall be kept separate and apart from all other funds of the City. The proceeds from all taxes levied, assessed, and collected for and on account of the Certificates authorized by this Ordinance shall be deposited, as collected, in the Interest and Sinking Fund. While the Certificates or any part of the principal thereof or interest thereon remain outstanding and unpaid, there is hereby levied and there shall be annually assessed and collected in due time, form and manner, and at the same time as other City taxes are assessed, levied, and collected, in each year, a continuing direct annual ad valorem tax, within the limits prescribed by law, upon all taxable property in the City, sufficient to pay the current interest on the Certificates as the same becomes due and to provide and maintain a sinking fund of not less than two percent of the principal amount of the Certificates or the amount required to pay each installment of principal of the Certificates

---

<sup>19</sup> Insert from Officer’s Pricing Certificate.

as the same matures, whichever is greater, full allowance being made for delinquencies and costs of collection, and said taxes are hereby irrevocably pledged to the payment of the interest on and principal of the Certificates.

To pay the debt service coming due on the Certificates prior to receipt of the taxes levied to pay such debt service, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service, and such amount shall be used for no other purpose.

20. Pledge of Revenues. Pursuant to Chapter 1502, Texas Government Code, the revenues, in an amount not to exceed \$10,000, to be derived from the operation of the City's waterworks and sanitary sewer system, after the payment of all operation and maintenance expenses thereof (the "Net Revenues"), are hereby pledged to the payment of the principal of and interest on the Certificates as the same come due; provided, however, that such pledge is and shall be junior and subordinate in all respects to the pledge of the Net Revenues to the payment of all outstanding obligations of the City and any obligation of the City, whether authorized heretofore or hereafter, which the City designates as having a pledge senior to the pledge of the Net Revenues to the payment of the Certificates. The City reserves the right to issue, for any lawful purpose at any time, in one or more installments, bonds, certificates of obligation and other obligations of any kind payable in whole or in part from the Net Revenues, secured by a pledge of the Net Revenues that may be prior and superior in right to, on a parity with, or junior and subordinate to the pledge of Net Revenues securing the Certificates.

21. Application of Chapter 1208, Texas Government Code. Chapter 1208, Texas Government Code, applies to the issuance of the Certificates and the pledge of the taxes and revenues granted by the City under Sections 19 and 20 hereof, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Certificates are outstanding an unpaid such that the pledge of the taxes and revenues granted by the City under Sections 19 and 20 hereof is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the registered owners of the Certificates the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

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

23. Covenants to Maintain Tax Exempt Status.

(a) Definitions. When used in this Section, the following terms have the following

meanings:

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

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

“Gross Proceeds” has the meaning stated in Section 1.148-1(b) of the Regulations.

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

“Issue Date” for each series or sub-series of the Certificates or other obligations of the City is the respective date on which such series or sub-series of the Certificates or other obligations of the City is delivered against payment therefor.

“Net Sale Proceeds” has the meaning stated in Section 1.148-1(b) of the Regulations.

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

“Proceeds” has the meaning stated in Section 1.148-1(b) of the Regulations.

“Rebate Amount” has the meaning stated in Section 1.148-3 of the Regulations.

“Regulations” means the temporary or final Income Tax Regulations applicable to the Certificates issued pursuant to Sections 141 through 150 of the Code. Any reference to a section of the Regulations shall also refer to any successor provision to such section hereafter promulgated by the Internal Revenue Service pursuant to Sections 141 through 150 of the Code and applicable to the Certificates.

“Yield of”

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

(2) the Certificates shall be computed in accordance with Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of or omit to use Gross Proceeds of the Certificates or any other amounts (or any property the

acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which, if made or omitted, respectively, would cause the interest on any Certificate 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 City shall have received a written opinion of counsel nationally recognized in the field of municipal bond law 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 Certificate, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the regulations and rulings thereunder, the City shall, at all times after the Issue Date of any Certificate and prior to the last stated maturity of the Certificates,

(1) exclusively own, operate, and possess all property the acquisition, construction, or improvement of which is to be financed directly or indirectly with Gross Proceeds of the Certificates and not use or permit the use of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity other than a state or local government, unless such use is solely as a member of the general public; or

(2) not directly or indirectly impose or accept any charge or other payment for use of Gross Proceeds of the Certificates or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with such Gross Proceeds other than taxes of general application and interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by section 141 of the Code and the regulations and rulings relating to section 141 of the Code, the City shall not use Gross Proceeds of the Certificates 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.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the final stated maturity or final payment of the Certificates, directly or indirectly invest Gross Proceeds of the Certificates 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 the Certificates.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the

Code and the regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Certificates to be federally guaranteed within the meaning of Section 149(b) of the Code and the regulations and rulings thereunder.

(g) Information Report. The City shall timely file with the Secretary of the Treasury the information required by Section 149(e) of the Code with respect to the Certificates on such forms and in such place as such Secretary may prescribe.

(h) Payment of Rebate Amount. Except to the extent otherwise provided in Section 148(f) of the Code and the regulations and rulings thereunder, the City shall:

(1) account for all Gross Proceeds of the Certificates (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 nine years after the final Computation Date. The City may, however, to the extent permitted by law, commingle Gross Proceeds of the Certificates with other money of the City, provided that the City 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 Certificates not less frequently than each Computation Date, in accordance with rules set forth in Section 148(f) of the Code, Section 1.148-3 of the Regulations, and the rulings thereunder. The City shall maintain a copy of such calculations for at least three years after the final Computation Date;

(3) as additional consideration for the purchase of the Certificates by the initial purchasers 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 paragraph (2) above 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; and

(4) exercise reasonable diligence to assure that no errors are made in the calculations required by paragraph (2) and, if such error is made, to discover and promptly to correct such error within a reasonable amount of time thereafter, including payment to the United States of any interest and any penalty required by the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the regulations and rulings thereunder, the City shall not, at any time after the Issue Date of the Certificates and prior to the earlier of the final stated maturity or final payment of the Certificates, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section 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 the Certificates not been relevant to either party.

(j) Not Hedge Bonds. The City will not invest more than fifty (50) percent of the Proceeds of the Certificates in Nonpurpose Investments having a guaranteed yield for four years or more. On the Issue Date, the City will reasonably expect that at least eighty-five (85) percent of the Net Sale Proceeds of the Certificates will be used to carry out the governmental purpose of such series within three (3) years after the Issue Date.

24. Investment and Security of Funds. Money in the Interest and Sinking Fund and the Construction Fund may, at the option of the City, be invested in time deposits or certificates of deposit secured in the manner required by law for public funds, or be invested in direct obligations of, or obligations the principal of which are unconditionally guaranteed by, the United States of America, in obligations of any agencies or instrumentalities of the United States of America or as otherwise permitted by state law, including the Public Funds Investment Act; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times. If necessary, such investments shall be promptly sold to prevent any default. Any of such moneys which are not invested shall be held at a designated state depository institution or other properly chartered and authorized institution in accordance with the Public Funds Investment Act, Government Code, Chapter 2256 and the Public Funds Collateral Act, Government Code, Chapter 2257.

25. Official Statement. The City hereby approves the form and content and distribution of the Preliminary Official Statement prepared in the initial offering and sale of the Certificates and hereby authorizes the preparation of a final Official Statement reflecting the terms of the Purchase Agreement and other relevant information. The use of such final Official Statement by the Initial Purchaser is hereby approved and authorized and the proper officials of the City are authorized to sign such Official Statement.

26. Continuing Disclosure Undertaking. As used in this Section, the following terms have the meanings ascribed to such terms below:

“MSRB” means the Municipal Securities Rulemaking Board.

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

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

(a) The City will provide certain updated financial information and operating data to the MSRB annually in an electronic format as prescribed by the MSRB and available via the Electronic Municipal Market Access (“EMMA”) system at [www.emma.msrb.org](http://www.emma.msrb.org). The information to be updated includes all quantitative financial information and operating data with respect to the City of the general type included in the Official Statement under the headings "TAX DATA" (except for the information under the subcaption "ESTIMATED OVERLAPPING BOND DEBT PAYABLE FROM AD VALOREM TAXES"), "FINANCIAL INFORMATION," "DEBT INFORMATION," "THE MUNICIPAL AIRPORT SYSTEM," "WATERWORKS AND SEWER SYSTEM," "OTHER CERTIFICATES" and in APPENDIX B. The City shall update such

information within six (6) months after the end of each fiscal year ending on and after September 30, 2025. Any financial statements to be so provided shall be (1) prepared in accordance with Appendix B of the Official Statement or the accounting principles the City may be required to employ from time to time pursuant to State law or regulation and (2) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not available by the required time, then the City shall provide those portions of the unaudited financial statements of the City referenced in the City's application for financial assistance but for the most recently concluded fiscal year by the required time, and audited financial statements when and if audited financial statements become available.

The City's current fiscal year end is September 30. Accordingly, it must provide updated information by March 31 in each year, unless the City changes its fiscal year. If the City changes its fiscal year, it 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 City 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 documents (i) available to the public on the MSRB's internet web site or (ii) filed with the SEC. All filings shall be made electronically, in the format specified by the MSRB.

(b) The City shall notify the MSRB in an electronic format prescribed by the MSRB, in a timely manner (not in excess of ten (10) business days after the occurrence of the event), of any of the following events with respect to the Certificates:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers or their failure to perform;
- (vi) 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 Certificates, or other material events affecting the tax status of the Certificates;
- (vii) Modifications to rights of holders of the Certificates, if material;

- (viii) Certificate calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Certificates, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the City;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, 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;
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) Incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect security holders, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.

The City shall notify the MSRB in an electronic format prescribed by the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with this Section by the time required by this Section.

For these purposes, (a) any event described in (xii) in the immediately preceding paragraph is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City 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 City, 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 City, and (b) the City intends the words used in the (xv) and (xvi) of the immediately preceding paragraph 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. The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information, operating data, or financial statements in accordance with this Section by the time required by such Section.

All documents provided to the MSRB shall be accompanied by identifying information, as prescribed by the MSRB.

(c) The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an “obligated person” with respect to the Certificates within the meaning of the Rule, except that the City in any event will give the notice required by this Section of any Certificate calls and defeasance that cause the City to be no longer such an “obligated person.”

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

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

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

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

(d) The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted a purchaser to purchase or sell the Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Registered Owners of a majority in aggregate

principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Registered Owners and beneficial owners of the Certificates. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this Section if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the City also may amend the provisions of this Section in its discretion in any other manner or circumstance, but in any case only if and to the extent that the provisions of this sentence would not have prevented a purchaser from lawfully purchasing or selling Certificates in the primary offering of the Certificates, giving effect to (a) such provisions as so amended and (b) any amendments or interpretations of the Rule. If the City so amends the agreement, it will include with the next financial information and operating data provided in accordance with this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

27. Related Matters. The Mayor, the City Manager, the City Secretary, the City's Finance Director, and other appropriate officials of the City are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Ordinance.

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

29. No Personal Liability. No recourse shall be had for payment of the principal of or interest on any Certificates or for any claim based thereon, or on this Ordinance, against any official or employee of the City or any person executing any Certificates.

30. Power to Revise Form of Documents. Notwithstanding any other provision of this Ordinance, the Mayor, City Secretary, and other appropriate officials of the City are each hereby authorized to make or approve such revisions, additions, deletions, and variations to this Ordinance, in the judgment of the Mayor, the City Council, the City Secretary, the City Manager, the City's Finance Director and other appropriate officials of the City, and in the opinion of Bond Counsel to the City, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Ordinance, the Preliminary Official Statement, and the final Official Statement; provided, however, that any changes to such documents resulting in substantive amendments to the terms and conditions of the Certificates or such documents shall be subject to the prior approval of the City Council.

31. Open Meeting. It is hereby officially found and determined that the meeting at which this Ordinance was adopted was open to the public, and that public notice of the time, place and purpose of said meeting was given, all as required by the Texas Open Meetings Act.

*[Signature page follows]*

PASSED AND APPROVED on the \_\_\_\_ day of \_\_\_\_\_, 2025.

---

Joe R. Zimmerman

Mayor  
City of Sugar Land, Texas

---

ATTEST:

---

Linda Mendenhall  
City Secretary  
City of Sugar Land, Texas

(SEAL)

APPROVED AS TO LEGALITY:

s/ Tom Sage  
Bond Attorney  
HUNTON ANDREWS KURTH LLP