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HENDERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 12

\$850,000.00 LOAN FROM U BANK

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LOAN AGREEMENT

between

UBANK

and

HENDERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 12

Dated March 6, 2025

LOAN AGREEMENT

This **LOAN AGREEMENT** (the “*Loan Agreement*” or “*Agreement*”), dated as of March 6, 2025, is between **UBANK**, and its successors and assigns (the “*Lender*”), and **HENDERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 12** (the “*District*”), a political subdivision of the State of Texas, duly established and created pursuant to Chapter 775, *Health & Safety Code*, as amended (the “*Act*”).

W I T N E S S E T H:

WHEREAS, pursuant to the Act, the District has the authority to borrow money to purchase emergency services equipment and to secure such loan with ad valorem tax revenues for a term of up to ten (10) years.

WHEREAS, the District has determined that it is necessary to purchase a new fire truck for use in the District (the “*Equipment*”) and

WHEREAS, the District has asked the Lender to make a loan to the District for the purpose of (i) financing the costs of the Equipment and (ii) paying costs of issuing the loan, such loan to be secured by and payable from ad valorem tax revenues of the District;

WHEREAS, the Lender is willing to make such loan to the District, on the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration and the mutual benefits, covenants and agreements herein expressed, the Lender and the District agree as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 **Definitions** The capitalized terms used in this Agreement shall have the following respective meanings unless the context otherwise requires:

Act - Shall have the meaning ascribed for such term in the opening paragraph hereof.

Agreement - This Loan Agreement and any amendments hereto.

Applicable Rate – 3.09% per annum.

Business Day - Any day, other than a Saturday, Sunday, or legal holiday, on which the offices of the Lender are not required or authorized by law or executive order to be closed.

Closing - The delivery of the Note to the Lender.

Closing Date - The date of the Closing.

Code - The Internal Revenue Service Code of 1986, as amended, and all applicable regulations and any official rulings and regulations under the above.

Comptroller - The Comptroller of Public Accounts of the State.

Costs of Issuance - The costs and expenses incurred by the District and the Lender with respect to the authorization, execution, and delivery of the District Documents and all documentation related thereto.

Debt Service Fund - The fund established pursuant to Section 3.4 hereof.

Debt Service Requirement - The amount necessary to make Note Payments during each respective fiscal year of the District.

District Documents - Collectively, this Agreement, the Note, and the Certificate of Board Action.

Event of Default - Unless waived in writing by the Lender, the occurrence of any of the following:

- (a) the failure of the District to make any of the Note Payments when due; or
- (b) the failure of the District to comply with any other covenant, condition, or agreement under this Agreement or other agreements or obligations entered into by the District for the borrowing of funds; or
- (c) the failure of the District to provide the Lender with an enforceable lien on the District's ad valorem tax revenues; or
- (d) the bankruptcy, insolvency, appointment of a receiver for the District.

Lender - UBANK, and its successor and assigns.

Loan - The loan from the Lender to the District made pursuant to this Agreement.

Loan Documents - Collectively, this Agreement and the Note.

Maximum Interest Rate - The maximum rate of interest allowed under Chapter 1204, Texas Government Code, as amended, or other applicable law in effect.

Note - The promissory note of even date herewith (such promissory note, as the same may be renewed, extended, amended, or otherwise modified from time to time) delivered pursuant to this Agreement in substantially the form attached hereto as Exhibit A, and any promissory note executed and delivered by the District in replacement thereof.

Note Payments - The payments required by Section 2.3 to be made by the District in payment of the principal of and interest on the Note.

Outstanding - With respect to the Note, the unpaid principal thereof and interest thereon, and, with respect to the Principal Amount, the unpaid portion thereof.

Payment Due Date - The date payments are due on the Loan, as set forth in the Note.

Principal Amount - \$850,000.00

Resolution – The resolution adopted by the Board of Emergency Services Commissioners of the District authorizing the execution and delivery of this Agreement and the Note and the pledge of the District's ad valorem tax revenues to the payment of the principal of and interest on the Note, and any amendments or supplements thereto.

State - The State of Texas.

Section 1.2 Interpretative Matters Whenever the context requires:

- (i) references in this Agreement of the singular number shall include the plural and vice versa; and
 - (ii) words denoting gender shall be construed to include the masculine, feminine, and neuter.
- (b) The table of contents and the titles given to any article or section of this Agreement are for convenience of reference only and are not intended to modify the meaning of the article or section.

ARTICLE II

THE LOAN; REPAYMENT OF THE LOAN

Section 2.1 The Loan Subject to the terms and conditions set forth in this Agreement, including without limitation the conditions set forth in Section 2.2, and for and in consideration of the payment by the District of its obligations under this Agreement and the Note and the covenants and agreements herein contained, on the Closing Date the Lender will advance to, for the sole use and benefit of, the District the Principal Amount to finance the construction and equipment of the Equipment and pay the Costs of Issuance.

Section 2.2 Conditions to Closing The obligation of the Lender to make the advances to the District as described in Section 2.1 here of shall be subject to the following conditions:

- (a) The representations of the District herein shall be true, complete, and correct in all material respects on the date hereof and on and as of the Closing Date as if made on the Closing Date;
- (b) At the time of Closing, the District Documents shall be in full force and effect, assuming due authorization and execution by the other parties thereto, and shall not have been amended or supplemented except as may have been agreed to in writing by the Lender;
- (c) At or prior to the Closing, the Lender shall have received each of the following documents:
 - (i) The Note executed by the authorized officers of the District;
 - (ii) The Agreement executed by the authorized officers of the District, with such changes or amendments as may have been approved by the Lender;

(iii) Certified copies of a certificate of the District confirming the Resolution, along with such certificates of existence, certificates of good standing, and other certificates or documents as the Lender may reasonably require to evidence the District's authority;

(iv) True copies of all organization documents of the District, including all amendments or supplements thereto; and

(v) An opinion of counsel to the Lender in form and substance satisfactory to the Lender and the District, which shall specifically provide that the Note is a legal, valid and binding obligation of the District, subject to applicable law.

Section 2.3 Repayment Terms The District agrees to execute and deliver the Note to the Lender on the Closing Date.

(b) The Note shall be dated as of the date hereof, shall be in an aggregate principal amount equal to the Principal Amount, and shall be payable in installments on the dates and in the amounts specified in the Note.

(c) Interest on the Note shall bear interest at the Applicable Rate (calculated on the per annum basis of a 360 day year comprised of twelve 30-day months).

In no event shall the Applicable Rate exceed the maximum rate permitted by Chapter 1204 of the Texas Government Code, as amended, or other applicable law in effect.

Section 2.4 Note Payments All Note Payments shall be made to the Lender as set forth in the Note.

Section 2.5 Note Payments Due on Business Days If the regularly scheduled due date for a Note Payment is not a Business Day, the due date for such payment shall be the next succeeding Business Day, and payment made on such succeeding Business Day shall have the same force and effect as if made on the regularly scheduled due date.

Section 2.6 Prepayment of Note The District shall have the right to prepay the Note in whole or in part at any time.

Section 2.7 Tax Levy To provide for the payment of the Debt Service Requirement on the Note there shall be levied a tax, pursuant to the Act and within the limitations prescribed by law, for each year while the Note or any interest thereon shall remain Outstanding, at a rate sufficient on each one hundred dollars' valuation of taxable property in the District or other tax revenues not otherwise pledged to pay a debt of the District, adequate to pay such Debt Service Requirement, full allowance being made for delinquencies and costs of collection; said tax shall be assessed and collected against all property appearing on the tax rolls of the District each year and applied to the payment of the Debt Service Requirement, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Debt Service Fund and are thereafter pledged to the payment of the Note. To the extent permitted by law, the governing body of the District hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay such Debt Service Requirement, it having been determined that the existing and available taxing authority of the District for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding indebtedness.

ARTICLE III

SPECIAL AGREEMENTS

Section 3.1 Obligations of District Unconditional The obligation of the District to make the payments required by Section 2.3 shall be absolute and unconditional. The District shall pay all such amounts without abatement, diminution, or deduction (whether for taxes or otherwise) regardless of any cause or circumstances whatsoever including, without limitation, any defense, set-off, recoupment, or counterclaim that the District may have or assert against the Lender or any other person.

(b) Until such time as the Note is fully paid the District:

(i) will not suspend or discontinue, or permit the suspension or discontinuance of any Note Payment;

(ii) will perform and observe all of its other agreements contained in this Agreement; and

(iii) except by full payment and retirement of the Note will not terminate this Agreement for any cause.

Section 3.2 Agreement as Security Agreement An executed copy of this Agreement shall constitute a security agreement pursuant to applicable law with the Lender as the secured party. The lien, pledge, and security interest of the Lender created in this Agreement shall become effective immediately upon the Closing, and the same shall be continuously effective for so long as the Note is outstanding.

(b) A fully executed copy of this Agreement and the proceedings authorizing it shall be filed as a security agreement among the permanent records of the District. Such records shall be open for inspection to any member of the general public and to any person proposing to do or doing business with, or asserting claims against, the District, at all times during regular business hours.

(c) Chapter 1208, Texas Government Code, as amended, applies to the issuance of the Note and the pledge of the ad valorem tax revenues granted by the District under this Agreement, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Note is outstanding and unpaid such that the pledge of the District's ad valorem tax revenues granted by the District hereunder is to be subject to the filing requirements of Chapter 9, Texas Business and Commerce Code, then in order to preserve to the Lender the perfection of the security interest in said pledge, the District agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business and Commerce Code, and enable a filing to perfect the security interest in said pledge to occur.

Section 3.3 Financial Statements and Reports For so long as any amounts remain outstanding under the Note, the District will promptly furnish to the Lender from time to time upon request such information regarding the business and affairs and financial condition of the District as the Lender may reasonably request, and furnish to the Lender:

(a) Annual audited financial statements of the District prepared by a Certified Public Accountant within the time set forth in applicable law following the end of the District's fiscal year.

(b) Any other financial information relating to the ability of the District to continue performing its obligations as described herein.

Section 3.4 Debt Service Fund The Debt Service Fund (the "*Debt Service Fund*") is hereby created, and the Debt Service Fund shall be maintained and accounted for as hereinafter provided, so long as the Note remains outstanding. For purposes of this Section 3.4 and this Agreement, the District's existing general fund may serve as the Debt Service Fund, unless the District elects to establish a separate Debt Service Fund. The Debt Service Fund shall be used solely as provided herein so long as the Note remains outstanding.

Section 3.5 Flow of Funds; Debt Service Fund All of the District's ad valorem tax revenues shall be deposited as collected into the Debt Service Fund. For purposes of this Section 3.5 and this Agreement, the Lender and the District agree that the District's general fund may be the Debt Service Fund unless the District elects to establish a separate Debt Service Fund. Money from time to time on deposit to the credit of the Debt Service Fund shall be applied as follows in the following order and priority:

(a) First, to pay principal of and interest on the Note and other obligations secured by ad valorem tax revenues; and

(b) Second, to be used by the District for any lawful purpose.

After making any transfers required into any other funds created or any subordinate lien obligations, any money remaining in the Debt Service Fund shall be considered surplus, and may be used by the District for any lawful purpose.

Section 3.6 Investment of Funds; Transfer of Investment Income Money in the Debt Service Fund may be invested as permitted by the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended, and pursuant to the District's investment policy. All interest and income derived from such deposits and investments in the Debt Service Fund shall be deposited in and credited to the Debt Service Fund.

Section 3.7 Security for Uninvested Funds All uninvested money on deposit in, or credited to, the Debt Service Fund shall be secured as provided by Texas law.

Section 3.8 Financial Statements and Other Information The District agrees to maintain a system of accounting satisfactory to the Lender and in accordance with GAAP applied on a consistent basis throughout the period involved, permit the Lender's officers or authorized representatives to visit and inspect the District's books of account and other records at such reasonable times and as often as the Lender may desire. Unless written notice of another location is given to the Lender, the District's books and records will be located at the District's address set forth below. All financial statements called for above shall be prepared in form and content acceptable to the Lender and by independent certified public accountants acceptable to the Lender.

Section 3.9 Insurance The District shall maintain insurance with responsible insurance companies on its properties, in such amounts and against such risks as is customarily maintained by similar businesses operating in the same vicinity, specifically to include fire and extended coverage

insurance covering all assets, business interruption insurance, workers compensation insurance, and liability insurance, all to be with such companies and in such amounts as are satisfactory to Lender and providing for at least 30 days prior notice to Lender of any cancellation thereof.

Section 3.10 Existence While this Agreement is in effect, the District shall maintain its governmental existence and qualification to do business in the State of Texas, and may not liquidate, dissolve, or voluntarily suspend business, subject to applicable law.

Section 3.11 District Accounts

While the Note remains outstanding, the District shall maintain at least one demand deposit account with the Lender institution and such deposit account shall be utilized as the District's primary operating account.

ARTICLE IV

REPRESENTATIONS

Section 4.1 Representations and Warranties of Lender The Lender represents and warrants to the District the following:

(a) The Lender has all necessary power and authority to enter into and perform under this Agreement.

(b) The Lender has taken all actions required to authorize and execute this Agreement and to perform its obligations hereunder and the execution, delivery, and performance by the Lender of and compliance with the provisions of this Agreement will not conflict with any existing law, regulation, rule, decree, or order or any agreement or other instrument by which the Lender is bound.

Section 4.2 Representations by the District The District represents, warrants, and covenants to the Lender as follows:

(a) The District is a governmental agency, body politic and corporate, and a political subdivision of the State as set forth in the Act, within the meaning of the Act; has all of the rights, powers, privileges, authority, and functions given by the general laws of the State, except as otherwise provided in the Act; and is authorized by the Act to borrow money and to execute and to enter into this Agreement and to undertake the transactions contemplated herein and to carry out its obligations hereunder.

(b) The District has all requisite power, authority, and legal right to execute and deliver the Loan Documents and all other instruments and documents to be executed and delivered by the District pursuant thereto and to perform and observe the provisions thereof and to carry out the transactions contemplated by the Loan Documents. All action on the part of the District which is required for the execution, delivery, performance, and observance by the District of the Loan Documents has been duly authorized and effectively taken, and such execution, delivery, performance, and observation by the District do not contravene applicable law or any contractual restriction binding on or affecting the District.

(c) By Resolution, the District has duly approved the borrowing of funds from the Lender, and such resolution has not been repealed, rescinded, or revoked; no other authorization or

approval or other action by, and no notice to or filing with any governmental authority or regulatory body is required as a condition to the performance by the District of its obligations under any of the Loan Documents.

(d) This Agreement and the Note are legally valid and binding obligations of the District enforceable against the District in accordance with their respective terms, except and to the extent limited by general State and Federal laws, laws affecting contracts and remedies, and by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditors rights.

(e) There is no default of the District in the payment of the principal of or interest on any of its indebtedness for borrowed money or under any instrument or instruments or agreements under and subject to which any indebtedness for borrowed money has been incurred which does or could affect the validity and enforceability of the Loan Documents or the ability of the District to perform its obligations thereunder, and no event has occurred and is continuing under the provisions of any such instrument or agreement which constitutes or, with the lapse of time or the giving of notice, or both, would constitute such a default.

(f) There is no pending or, to the knowledge of the undersigned officers of the District, threatened action or proceeding before any court, governmental agency, department, or arbitrator (i) to restrain or enjoin the execution or delivery of this Agreement and the Note or the collection of any of the District's tax revenues to pay the Note, (ii) in any way contesting or affecting the authority for the execution and delivery or the validity of the Loan Documents, or (iii) in any way contesting the levy of the District's sales tax revenues or the existence of the District or the title or powers of the officers of the District.

(g) In connection with the authorization, execution, and delivery of this Agreement and the Note, the District has complied with all provisions of the laws of the State, including the Act.

(h) The execution and delivery of the documents contemplated hereunder do not violate any provision of any instrument or agreement to which the District is a party or by which it is bound.

(i) The District has, by proper action, duly authorized the execution and delivery of this Agreement.

(j) The District is not in default under or in violation of the Constitution or any of the laws of the State relevant to the issuance of the Note or the consummation of the transactions contemplated hereby or in connection with such issuance, and has duly authorized the issuance of the Note and the execution and delivery of this Agreement. The District agrees that it will do or cause to be done in a timely manner all things necessary to preserve and keep in full force and effect its existence, and to carry out the terms of this Agreement and the Note.

(k) All financial statements, reports, and other information delivered by the District to the Lender fairly and accurately reflect the District's financial condition and there has been no material adverse change in the District's financial condition from that reflected in the statements delivered to the Lender since the date thereof. All other information furnished to the Lender by the District is true and accurate and the District has not failed to disclose any information of a material nature regarding its financial condition.

(l) While any amounts remain Outstanding, the District shall maintain its general operating account with Lender.

Section 4.3 Permits or Licenses In the event that it may be necessary for the proper performance of this Agreement on the part of the District that any application or applications for any permit or license to do or to perform certain things be made to any governmental or other agency by the District, the District shall execute such application or applications and shall otherwise comply with regulatory requirements, as applicable.

Section 4.4 Tax Matters.

(a) The District covenants to take any action to maintain, or refrain from any action which would adversely affect, the treatment of the Note as an obligation described in Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in "gross income" for federal income tax purposes. In furtherance thereof, the District specifically covenants as follows:

(i) To refrain from taking any action which would result in the Note being treated as "private activity bonds" within the meaning of Section 141(a) of the Code;

(ii) To take any action to assure that no more than 10% of the proceeds of the Note or the Equipment financed therewith are used for any "private business use," as defined in Section 141(b)(6) of the Code or, if more than 10% of the proceeds or the Equipment financed therewith are so used, that amounts, whether or not received by the District with respect to such private business use, do not under the terms of this Agreement or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10% of the debt service on the Note, in contravention of Section 141(b)(2) of the Code;

(iii) To take any action to assure that in the event that the "private business use" described in paragraph (ii) hereof exceeds 5% of the proceeds of the Note or the Equipment financed therewith, then the amount in excess of 5% is used for a "private business use" which is "related" and not "disproportionate," within the meaning of Section 141(b)(3) of the Code, to the governmental use;

(iv) To take any action to assure that no amount which is greater than 5% of the proceeds of the Note is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of Section 141(c) of the Code;

(v) To refrain from taking any action which would result in the Note being "federally guaranteed" within the meaning of Section 149(b) of the Code;

(vi) Except to the extent permitted by Section 148 of the Code and the regulations and rulings thereunder, to refrain from using any portion of the proceeds of the Note, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in Section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Note;

(vii) To otherwise restrict the use of the proceeds of the Note or amounts treated as proceeds of the Note, as may be necessary, so that the Note does not otherwise contravene the requirements of Section 148 of the Code (relating to arbitrage) and, to the extent applicable, Section 149(d) of the Code (relating to advance refundings);

(viii) Except to the extent otherwise provided in Section 148(f) of the Code and the regulations and rulings thereunder, to pay to the United States of America at least once during each five year period (beginning on the issue date of the Note an amount that is at least equal to 90% of the "Excess Earnings," within the meaning of Section 148(f) of the Code, and to pay to the United States of America, not later than 60 days after the Note has been paid in full, 100% of the amount then required to be paid as a result of Excess Earnings under Section 148(f) of the Code; and

(ix) To maintain such records as will enable the District to fulfill its responsibilities under this subsection and Section 148 of the Code and to retain such records for at least six years following the final payment of principal and interest on the Note.

For the purposes of the foregoing, in the case of a refunding bond, the term proceeds includes transferred proceeds and, for purposes of paragraphs (ii) and (iii), proceeds of the refunded obligations.

The covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Note, the District will not be required to comply with any covenant contained herein to the extent that such noncompliance, in the opinion of nationally-recognized bond counsel, will not adversely affect the exclusion from gross income of interest on the Note under Section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Note, the District agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exclusion from gross income of interest on the Note under Section 103 of the Code.

(b) Proper officers of the District charged with the responsibility of issuing the Note are hereby authorized and directed to execute any documents, certificates, or reports required by the Code and to make such elections, on behalf of the District, which may be permitted by the Code as are consistent with the purpose for the issuance of the Note.

(c) Notwithstanding any other provision in this Agreement, to the extent necessary to preserve the exclusion from gross income of interest on the Note under Section 103 of the Code, the covenants contained in this subsection shall survive the later of the defeasance or discharge of the Note.

(d) Covenants Regarding Sale, Lease, or Disposition of Financed Property. The District covenants that the District will regulate the use of the property financed, directly or indirectly, with the proceeds of the Note and will not sell, lease (other than to the District's contracted service provider), or otherwise dispose of such property unless (i) the District takes the remedial measures as

may be required by the Code and the regulations and rulings thereunder in order to preserve the exclusion from gross income of interest on the Note under Section 103 of the Code or (ii) the District seeks the advice of nationally-recognized bond counsel with respect to such sale, lease, or other disposition.

(e) The representations above shall be deemed to be made on and as of the date hereof and as of the date of the Note.

ARTICLE V

REMEDIES

Section 5.1 Remedies Available Upon the occurrence of any Event of Default and at any time thereafter for so long as the Event of Default has not been cured:

(i) the Lender may take any action at law or in equity to collect all amounts then due under this Agreement and the enforcing of compliance with any other obligation of the District under this Agreement;

(ii) the Lender may proceed against the District for the purposes of protecting and enforcing the rights of the Lender under this Agreement, by mandamus or other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby enjoin any action or thing that may be unlawful or in violation of any right of the Lender hereunder or any combination of such remedies;

(iii) the Lender may increase the Applicable Rate by 1% per annum.

(b) In addition to the remedies provided in subsection (a) of this Section, the Lender shall, to the extent permitted by law, be entitled to recover the costs and expenses, including attorney's fees and court costs, incurred by the Lender in the proceedings authorized under subsection (a) of this Section.

Section 5.2 Application of Money Collected. Any money collected as a result of the taking of remedial action pursuant to this Article V, including money collected as a result of foreclosing the liens of this Agreement, shall be applied to cure the Event of Default with respect to which such remedial action was taken.

Section 5.3 Non-Exclusive Remedies. No remedy conferred upon or reserved to the Lender by this Agreement is intended to be exclusive of any other available remedy, and each such remedy shall be in addition to any other remedy given under this Agreement or the other Loan Documents or now or hereafter existing at law or in equity.

Section 5.4 Delays. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or be construed to be a waiver thereof, and all such rights and powers may be exercised as often as may be deemed expedient.

Section 5.5 Limitation on Waivers. If an Event of Default is waived, such waiver shall be limited to the particular Event of Default so waived and shall not be deemed a waiver of any other Event of Default; provided, that no waiver of an Event of Default shall be effective unless such waiver is made in writing.

ARTICLE VI

DISCHARGE

Section 6.1 Discharge by Payment When the Note has been paid in full or when the District has made payment to the Lender of the whole amount due or to become due under the Note (including all interest that has accrued thereon or that may accrue to the date of maturity or prepayment, as applicable), and all other amounts payable by the District under this Agreement have been paid, the liens of this Agreement shall be discharged and released, and the Lender, upon receipt of a written request by the District and the payment by the District of the reasonable expenses with respect thereto, shall discharge and release the lien of this Agreement and execute and deliver to the District such releases or other instruments as shall be requisite to release the lien hereof.

ARTICLE VII

MODIFICATION OF DOCUMENTS

Section 7.1 Amendments Require Consent of Parties No party may amend, or agree or consent to an amendment of, the Loan Documents or the District Documents without the prior written consent of the other party.

ARTICLE VIII

MISCELLANEOUS

Section 8.1 Term of Agreement This Agreement shall become effective upon the Closing Date and shall continue in full force and effect until all obligations of the District under this Agreement and the Note have been fully paid.

Section 8.2 Notices All notices, certificates, or other communications required by or made pursuant to this Note Agreement shall be in writing and given by certified or registered United States Mail, return receipt requested, addressed as follows:

(i) if to the Lender:

UBank
522 State Hwy 31 W., Suite D
Chandler, Texas 75758

(ii) if to the District:

Henderson County Emergency Services District No. 12
P.O. Box 1768
Chandler, Texas 75758

Attention: President

with a copy to:
Ken Campbell
BURNS ANDERSON JURY & BRENNER, L.L.P.
P.O. Box 26300
Austin, Texas 78755-6300

(b) The District and the Lender may designate any further or different addresses to which subsequent notices shall be sent; provided, that, any of such parties shall designate only one address for such party to receive such notices.

(c) Except as otherwise provided by this Agreement, any communication delivered by mail in compliance with this section is deemed to have been given as of the date of deposit in the mail.

(d) A provision of this Agreement that provides for a specific method of giving notice or otherwise conflicts with this section supersedes this section to the extent of the conflict.

Section 8.3 Binding Effect, Assignment This Agreement shall (i) be binding upon the District, its successors and assigns, and (ii) inure to the benefit of and be enforceable by the Lender and its successors, transferees and assigns; provided that the District may not assign all or any part of this Agreement without the prior written consent of the Lender. The Note is not negotiable and not registered. The Lender may assign, transfer, or grant participations in all or any portion of this Agreement, the Note, or any of its rights or security hereunder, including without limitation, the instruments securing the District's obligations under this Agreement; provided that any such assignment, transfer, or grant shall be made only to a financial institution whose primary business is the lending of money and the Lender shall give written notice to the District of such assignment, transfer or grant prior to such assignment, transfer or grant becoming effective.

Section 8.4 Entire Agreement The District Documents contain the entire agreement between the parties, and there are no other representations, endorsements, promises, agreements, or understandings, oral or written, express or implied, between the District and the Lender.

Section 8.5 Severability If any part of this Agreement is ruled invalid or unenforceable by a court of competent jurisdiction, the invalidity or unenforceability thereof shall not affect the remainder of this Agreement.

Section 8.6 Counterparts This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same document.

Section 8.7 Applicable Law This Agreement shall be governed in all respects, whether as to validity, construction, performance, or otherwise, by the laws of the State of Texas and, if applicable, federal law.

Section 8.8 Jurisdiction All actions or proceedings with respect to, and the performance of, the Note and this Agreement shall be, or shall be instituted in the courts of the State of Texas, in Henderson County, Texas, and by execution and delivery of this Agreement, the District and the Lender irrevocably and unconditionally submit to the jurisdiction of such courts and unconditionally waive (i) any objection each may now or hereafter have to the laying of venue in any such courts,

and (ii) any claim that any action or proceeding brought in any such courts has been brought in an inconvenient forum.

Section 8.9 Notice of Final Agreement THIS WRITTEN AGREEMENT AND ANY OTHER DOCUMENTS EXECUTED IN CONNECTION HERewith REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN AGREEMENTS BETWEEN THE PARTIES.

Section 8.10 No Boycott Israel. To the extent this Agreement is a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, as amended, the Lender hereby verifies that the Lender does not boycott Israel and will not boycott Israel through the term of this Agreement. For purposes of this 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.

Section 8.11 Compliance with Subchapter F of Chapter 2252 of the Texas Government Code. The Lender hereby verifies and warrants that at the time of execution and delivery of this Agreement neither the Lender nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Lender (i) engages in business with Iran, Sudan 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 under Sections 806.051, 807.051 or 2252.153 of the Texas Government Code. The term “foreign terrorist organization” as used herein has the meaning assigned to such term in section 2252.151 of the Texas Government Code.

Section 8.12 Boycott of Energy Companies; Discrimination Against Firearm Entity. To the extent this Agreement represents a contract for goods or services for which a written verification is required under Section 2274.002, Texas Government Code (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), the Lender hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies through the term of this Agreement. The foregoing verification is made solely to enable the District to comply with such Section and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, “boycott energy companies” shall mean, without an ordinary business purpose, 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 with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

To the extent this Agreement represents a contract for goods or services for which a written verification is required under Section 2274.002, Texas Government Code (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), the Lender hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice,

policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate through the term of this Agreement against a firearm entity or firearm trade association. The foregoing verification is made solely to enable the District to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, 'discriminate against a firearm entity or firearm trade association' (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association. As used in the foregoing verification, (b) 'firearm entity' means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (i.e., weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code), and (c) 'firearm trade association' means a person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their respective duly authorized officers as of the date first above written.

UBANK

By: _____
Name: _____
Authorized Officer

**HENDERSON COUNTY EMERGENCY
SERVICES DISTRICT NO. 12**

By Cody Seale
Cody Seale, President

ATTEST:

By Nancy Bertholf
Nancy Bertholf, Secretary

EXHIBIT A

THIS NOTE MAY NOT BE NEGOTIATED IN THE NAME OF BEARER AND IS NOT A REGISTERED OBLIGATION

Principal Amount
\$850,000.00

March 6, 2025

HENDERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 12

PROMISSORY NOTE

HENDERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 12 (the "*District*") for value received, hereby promises to pay to the order of **UBANK** its successor or assigns, at its offices located at 522 State Hwy 31 W, Suite D, Chandler, Texas 75758, in lawful money of the United States of America, the principal sum of EIGHT HUNDRED FIFTY THOUSAND AND 00/100 DOLLARS.

All capitalized terms which are used but not defined in this Note shall have the same meanings as in the Loan Agreement dated March 6, 2025, between the District and the Lender (such Loan Agreement, together with all amendments or supplements thereto, being the "*Loan Agreement*").

In addition to the principal sum referred to in the first paragraph of this Note, the District also agrees to pay interest on the outstanding principal balance at a per annum rate of the lesser of (a) 3.09% or (b) the Maximum Interest Rate (calculated on the per annum basis of a 360 day year consisting of twelve 30-day months).

The principal and interest of this Note are due and payable in monthly installments of Eleven Thousand Two Hundred Sixty Five and 82/100 Dollars (\$11,265.82) beginning on April 10, 2025 and continuing on the 10th of each month thereafter until March 10, 2032, and a final payment on March 10, 2032 of Eleven Thousand Six Hundred Twenty-Six and 69/100 Dollars (\$11,626.69) as set forth in Schedule I attached hereto (each a "*Note Payment*"). To the extent permitted by law, if a Note Payment is ten (10) or more days late, the District will be charged a late payment fee equal to 5.000% of the Note Payment amount.

This Note is authorized under the Loan Agreement and is subject to, and is executed in accordance with, all of the terms, conditions, and provisions thereof. A fully executed copy of the Loan Agreement is on file in the permanent records of the District and is open for inspection to any member of the general public and to any person proposing to do business with, or asserting claims against, the District, at all times during regular business hours.

The principal of and interest on this Note are payable from the District's ad valorem tax revenues as authorized by Section 775.085, Health & Safety Code, as amended, as described in and subject to the limitations contained in the Loan Agreement.

Except as otherwise provided in the Loan Agreement, the District waives all demands for payment, presentations for payment, protests, notices of protests, and all other demands and notices, to the extent permitted by law.

All agreements between the District and holder hereof, whether now existing or hereafter arising and whether written or oral, are hereby limited so that in no contingency, whether by reason of demand, prepayment, or otherwise, shall the interest contracted for, charged, received, paid, or agreed to be paid to the holder hereof, exceed the maximum permissible by applicable law. If, from any circumstances whatsoever, interest would otherwise be payable to the holder hereof in excess of the Maximum Interest Rate, then the interest payable to the holder hereof shall be reduced to the maximum amount permitted under applicable law; and if from any circumstances the holder hereof shall ever receive anything of value deemed interest by applicable law in excess of the Maximum Interest Rate, an amount equal to any excessive interest shall be applied to the reduction of the principal hereof and not to the payment of interest, or if such excessive interest exceeds the unpaid balance of principal hereof, such excess shall be refunded to the District. All interest paid or agreed to be paid to the holder hereof shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full period of the subject loan until payment in full of the principal so that the interest hereon for such full period shall not exceed the maximum amount permitted by applicable law. This paragraph shall control all agreements between the District and the holder hereof.

THIS NOTE AND THE LOAN AGREEMENT REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

NEITHER THE STATE OF TEXAS OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THIS NOTE, EXCEPT TO THE EXTENT THAT THE DISTRICT IS OBLIGATED TO MAKE THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS NOTE. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS NOTE, EXCEPT TO THE EXTENT THE DISTRICT HAS PLEDGED ITS TAX REVENUES DESCRIBED ABOVE TO MAKE THE NOTE PAYMENTS.

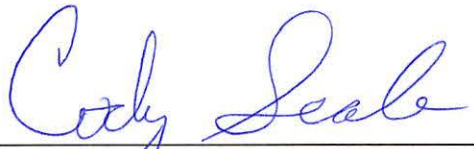
Principal due on this Note may be prepaid pursuant to the provisions of Section 2.6 of the Loan Agreement.

If a date for the payment of the principal of or interest on the Note is a Saturday, Sunday, legal holiday, or a day on which the Lender is authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which such banking institution is authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Note shall be governed in all respects by the laws of the State of Texas and of the United States of America.

IN WITNESS WHEREOF, this Note has been duly executed in accordance with law as of March 6, 2025.

**HENDERSON COUNTY EMERGENCY
SERVICES DISTRICT NO. 12**

By: 
Cody Seale, President

ATTEST:

By: 
Nancy Bertholf, Secretary

SCHEDULE I

Seq	Payment Date	Principal	Interest	Balance
1	03/10/25	8,128.62	3,137.20	841,871.38
2	04/10/25	9,098.00	2,167.82	832,773.38
3	05/10/25	9,121.43	2,144.39	823,651.95
4	06/10/25	9,144.92	2,120.90	814,507.03
5	07/10/25	9,168.46	2,097.36	805,338.57
6	08/10/25	9,192.08	2,073.74	796,146.49
7	09/10/25	9,215.74	2,050.08	786,930.75
8	10/10/25	9,239.47	2,026.35	777,691.28
9	11/10/25	9,263.27	2,002.55	768,428.01
10	12/10/25	9,287.12	1,978.70	759,140.89
11	01/10/26	9,311.03	1,954.79	749,829.86
12	02/10/26	9,335.01	1,930.81	740,494.85
13	03/10/26	9,359.05	1,906.77	731,135.80
14	04/10/26	9,383.14	1,882.68	721,752.66
15	05/10/26	9,407.31	1,858.51	712,345.35
16	06/10/26	9,431.53	1,834.29	702,913.82
17	07/10/26	9,455.82	1,810.00	693,458.00
18	08/10/26	9,480.17	1,785.65	683,977.83
19	09/10/26	9,504.57	1,761.25	674,473.26
20	10/10/26	9,529.05	1,736.77	664,944.21
21	11/10/26	9,553.59	1,712.23	655,390.62
22	12/10/26	9,578.19	1,687.63	645,812.43
23	01/10/27	9,602.86	1,662.96	636,209.57
24	02/10/27	9,627.58	1,638.24	626,581.99
25	03/10/27	9,652.37	1,613.45	616,929.62
26	04/10/27	9,677.23	1,588.59	607,252.39
27	05/10/27	9,702.14	1,563.68	597,550.25
28	06/10/27	9,727.13	1,538.69	587,823.12
29	07/10/27	9,752.18	1,513.64	578,070.94
30	08/10/27	9,777.29	1,488.53	568,293.65
31	09/10/27	9,802.46	1,463.36	558,491.19
32	10/10/27	9,827.71	1,438.11	548,663.48
33	11/10/27	9,853.01	1,412.81	538,810.47
34	12/10/27	9,878.38	1,387.44	528,932.09
35	01/10/28	9,903.82	1,362.00	519,028.27
36	02/10/28	9,929.32	1,336.50	509,098.95
37	03/10/28	9,954.90	1,310.92	499,144.05
38	04/10/28	9,980.52	1,285.30	489,163.53
39	05/10/28	10,006.22	1,259.60	479,157.31
40	06/10/28	10,031.99	1,233.83	469,125.32
41	07/10/28	10,057.83	1,207.99	459,067.49
42	08/10/28	10,083.72	1,182.10	448,983.77
43	09/10/28	10,109.69	1,156.13	438,874.08
44	10/10/28	10,135.72	1,130.10	428,738.36
45	11/10/28	10,161.82	1,104.00	418,576.54
46	12/10/28	10,187.98	1,077.84	408,388.56
47	01/10/29	10,214.22	1,051.60	398,174.34
48	02/10/29	10,240.52	1,025.30	387,933.82
49	03/10/29	10,266.89	998.93	377,666.93
50	04/10/29	10,293.33	972.49	367,373.60
51	05/10/29	10,319.83	945.99	357,053.77
52	06/10/29	10,346.41	919.41	346,707.36

53	07/10/29	10,373.05	892.77	336,334.31
54	08/10/29	10,399.76	866.06	325,934.55
55	09/10/29	10,426.54	839.28	315,508.01
56	10/10/29	10,453.39	812.43	305,054.62
57	11/10/29	10,480.30	785.52	294,574.32
58	12/10/29	10,507.29	758.53	284,067.03
59	01/10/30	10,534.35	731.47	273,532.68
60	02/10/30	10,561.47	704.35	262,971.21
61	03/10/30	10,588.67	677.15	252,382.54
62	04/10/30	10,615.94	649.88	241,766.60
63	05/10/30	10,643.27	622.55	231,123.33
64	06/10/30	10,670.68	595.14	220,452.65
65	07/10/30	10,698.15	567.67	209,754.50
66	08/10/30	10,725.70	540.12	199,028.80
67	09/10/30	10,753.32	512.50	188,275.48
68	10/10/30	10,781.02	484.80	177,494.46
69	11/10/30	10,808.77	457.05	166,685.69
70	12/10/30	10,836.60	429.22	155,849.09
71	01/10/31	10,864.51	401.31	144,984.58
72	02/10/31	10,892.49	373.33	134,092.09
73	03/10/31	10,920.53	345.29	123,171.56
74	04/10/31	10,948.65	317.17	112,222.91
75	05/10/31	10,976.85	288.97	101,246.06
76	06/10/31	11,005.11	260.71	90,240.95
77	07/10/31	11,033.45	232.37	79,207.50
78	08/10/31	11,061.86	203.96	68,145.64
79	09/10/31	11,090.35	175.47	57,055.29
80	10/10/31	11,118.90	146.92	45,936.39
81	11/10/31	11,147.53	118.29	34,788.86
82	12/10/31	11,176.24	89.58	23,612.62
83	01/10/32	11,205.02	60.80	12,407.60
84	02/10/32	12,407.60	31.95	0.00

GENERAL CERTIFICATE OF THE DISTRICT

We, the undersigned duly authorized officers of the Board of Emergency Services Commissioners of HENDERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 12 (the "District"), acting in our official capacities as such, hereby certify with respect to the LOAN AGREEMENT, dated as of March 6, 2025 (the "Loan Agreement") by and between the District and UBank (the "Lender"), as follows:

1. The District is a political subdivision of the State of Texas, validity created and existing under the laws and the Constitution of the State of Texas.

2. The following named persons constitute the current members of the Board of Emergency Services Commissioners of the District, and each such member of the Board of Emergency Services Commissioners is a qualified, and validly elected or appointed member of the Board of Emergency Services Commissioners pursuant to Chapter 775 *Health & Safety Code*, as amended.

<u>Name</u>	<u>Title</u>
Cody Seale	President
Terrence Lyon	Vice President
Kari Bersano	Treasurer
Nancy Bertholf	Secretary
Mark Hammack	Communications

3. The Board of Emergency Services Commissioners of the District duly approved the entering into and delivery of the Loan Agreement and the Note by adoption of a resolution at a duly called public meeting, at which a quorum was present and acting throughout (the "Resolution"); the Resolution is in full force and effect and has not been altered, amended, or repealed as of the date hereof; and the meeting was duly called and open to the public in accordance with the laws of the State of Texas.

4. The following described instruments (collectively, the "Instruments"), as executed and delivered or authorized by the District, are in substantially the same form and text as copies of such Instruments which were before and were approved or ratified by the Board of Emergency Services Commissioners of the District, and which the officers of the District were authorized to execute and deliver for and on behalf of the District:

- (a) the Loan Agreement; and
- (b) the Promissory Note.

5. To the best knowledge of the undersigned, on the date hereof, the District is not in default in the performance or observance of any of the covenants, conditions, agreements, or provisions of the Instruments.

6. The representations and warranties of the District contained in the Instruments are correct on and as of the date hereof as though made on and as of such date.

7. At the time we so executed and signed the Loan Agreement and the Note, we were, and at the time of executing this certificate we are, the duly chosen, qualified, and acting officers authorized therein, and authorized to execute the same, and we officially executed and signed the Instruments with our manual signatures.

8. Neither the corporate existence nor boundaries of the District are being contested; no litigation has been filed or is now pending which would affect the authority of the officers of the District to issue, execute, sign, and deliver the Loan Agreement and the Note; and no authority or proceedings for the execution or delivery of the Loan Agreement or the Note have been repealed, revoked, or rescinded.

9. No litigation of any nature is now pending or threatened before any federal or state court or administrative body seeking to restrain or enjoin the issuance or delivery of the Loan Agreement or the Note, the authority or action of the governing body of the District relating to the execution and delivery of the Loan Agreement or the Note, the levy of the ad valorem tax, or the assessment, collection, or pledge thereof, to pay the principal of and interest on the Note, or that would otherwise adversely affect in a material manner the ability of the District to pay the principal of and interest on the Note; and neither the corporate existence or boundaries of the District nor the right to hold office of any member of the governing body of the District or any other elected or appointed official of the District is being contested or otherwise questioned.

10. The territory within the boundaries of the District is contiguous, and the boundaries of the District form an enclosure.

11. (A) The representations and warranties of the District contained in the Loan Agreement are true and correct on the date thereof and on and as of the Closing Date as if made on the Closing Date; (B) the Resolution and the Loan Agreement are in full force and effect and have not been amended or supplemented except as may have been approved in writing by the Lender; and (C) the District is not in default with respect to any of its outstanding obligations.

(Remainder of this page intentionally left blank)

IN WITNESS WHEREOF, we have duly executed this certificate as of this 6th day of March 2025.

Manual Signatures

Cody Seale

Official Titles

President, Board of Emergency Services
Commissioners

Nancy Berthoff

Secretary, Board of Emergency Services
Commissioners

*EXECUTION PAGE FOR DISTRICT'S GENERAL
CERTIFICATE*

**THIS NOTE MAY NOT BE NEGOTIATED IN THE NAME OF BEARER
AND IS NOT A REGISTERED OBLIGATION**

Principal Amount
\$850,000.00

March 6, 2025

HENDERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 12

PROMISSORY NOTE

HENDERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 12 (the "*District*") for value received, hereby promises to pay to the order of **UBANK** its successor or assigns, at its offices located at 522 State Hwy 31 W, Suite D, Chandler, Texas 75758, in lawful money of the United States of America, the principal sum of EIGHT HUNDRED FIFTY THOUSAND AND 00/100 DOLLARS.

All capitalized terms which are used but not defined in this Note shall have the same meanings as in the Loan Agreement dated March 6, 2025, between the District and the Lender (such Loan Agreement, together with all amendments or supplements thereto, being the "*Loan Agreement*").

In addition to the principal sum referred to in the first paragraph of this Note, the District also agrees to pay interest on the outstanding principal balance at a per annum rate of the lesser of (a) 3.09% or (b) the Maximum Interest Rate (calculated on the per annum basis of a 360 day year consisting of twelve 30-day months).

The principal and interest of this Note are due and payable in monthly installments of Eleven Thousand Two Hundred Sixty Five and 82/100 Dollars (\$11,265.82) beginning on April 10, 2025 and continuing on the 10th of each month thereafter until February 10, 2032, and a final payment on March 10, 2032 of Eleven Thousand Six Hundred Twenty-Six and 69/100 Dollars (\$11,626.69) as set forth in Schedule I attached hereto (each a "*Note Payment*"). To the extent permitted by law, if a Note Payment is ten (10) or more days late, the District will be charged a late payment fee equal to 5.000% of the Note Payment amount.

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The principal of and interest on this Note are payable from the District's ad valorem tax revenues as authorized by Section 775.085, Health & Safety Code, as amended, as described in and subject to the limitations contained in the Loan Agreement.

Except as otherwise provided in the Loan Agreement, the District waives all demands for payment, presentations for payment, protests, notices of protests, and all other demands and notices, to the extent permitted by law.

All agreements between the District and holder hereof, whether now existing or hereafter arising and whether written or oral, are hereby limited so that in no contingency, whether by reason of demand, prepayment, or otherwise, shall the interest contracted for, charged, received, paid, or agreed to be paid to the holder hereof, exceed the maximum permissible by applicable law. If, from any circumstances whatsoever, interest would otherwise be payable to the holder hereof in excess of the Maximum Interest Rate, then the interest payable to the holder hereof shall be reduced to the maximum amount permitted under applicable law; and if from any circumstances the holder hereof shall ever receive anything of value deemed interest by applicable law in excess of the Maximum Interest Rate, an amount equal to any excessive interest shall be applied to the reduction of the principal hereof and not to the payment of interest, or if such excessive interest exceeds the unpaid balance of principal hereof, such excess shall be refunded to the District. All interest paid or agreed to be paid to the holder hereof shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full period of the subject loan until payment in full of the principal so that the interest hereon for such full period shall not exceed the maximum amount permitted by applicable law. This paragraph shall control all agreements between the District and the holder hereof.

THIS NOTE AND THE LOAN AGREEMENT REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

NEITHER THE STATE OF TEXAS OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THIS NOTE, EXCEPT TO THE EXTENT THAT THE DISTRICT IS OBLIGATED TO MAKE THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS NOTE. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS NOTE, EXCEPT TO THE EXTENT THE DISTRICT HAS PLEDGED ITS TAX REVENUES DESCRIBED ABOVE TO MAKE THE NOTE PAYMENTS.

Principal due on this Note may be prepaid pursuant to the provisions of Section 2.6 of the Loan Agreement.

If a date for the payment of the principal of or interest on the Note is a Saturday, Sunday, legal holiday, or a day on which the Lender is authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which such banking institution is authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Note shall be governed in all respects by the laws of the State of Texas and of the United States of America.

IN WITNESS WHEREOF, this Note has been duly executed in accordance with law as of March 6, 2025.

**HENDERSON COUNTY EMERGENCY
SERVICES DISTRICT NO. 12**

By: 
Cody Seale, President

ATTEST:

By: 
Nancy Bertholf, Secretary

SCHEDULE I

Seq	Payment Date	Principal	Interest	Balance
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11	01/10/26	9,311.03	1,954.79	749,829.86
12	02/10/26	9,335.01	1,930.81	740,494.85
13	03/10/26	9,359.05	1,906.77	731,135.80
14	04/10/26	9,383.14	1,882.68	721,752.66
15	05/10/26	9,407.31	1,858.51	712,345.35
16	06/10/26	9,431.53	1,834.29	702,913.82
17	07/10/26	9,455.82	1,810.00	693,458.00
18	08/10/26	9,480.17	1,785.65	683,977.83
19	09/10/26	9,504.57	1,761.25	674,473.26
20	10/10/26	9,529.05	1,736.77	664,944.21
21	11/10/26	9,553.59	1,712.23	655,390.62
22	12/10/26	9,578.19	1,687.63	645,812.43
23	01/10/27	9,602.86	1,662.96	636,209.57
24	02/10/27	9,627.58	1,638.24	626,581.99
25	03/10/27	9,652.37	1,613.45	616,929.62
26	04/10/27	9,677.23	1,588.59	607,252.39
27	05/10/27	9,702.14	1,563.68	597,550.25
28	06/10/27	9,727.13	1,538.69	587,823.12
29	07/10/27	9,752.18	1,513.64	578,070.94
30	08/10/27	9,777.29	1,488.53	568,293.65
31	09/10/27	9,802.46	1,463.36	558,491.19
32	10/10/27	9,827.71	1,438.11	548,663.48
33	11/10/27	9,853.01	1,412.81	538,810.47
34	12/10/27	9,878.38	1,387.44	528,932.09
35	01/10/28	9,903.82	1,362.00	519,028.27
36	02/10/28	9,929.32	1,336.50	509,098.95
37	03/10/28	9,954.90	1,310.92	499,144.05
38	04/10/28	9,980.52	1,285.30	489,163.53
39	05/10/28	10,006.22	1,259.60	479,157.31
40	06/10/28	10,031.99	1,233.83	469,125.32
41	07/10/28	10,057.83	1,207.99	459,067.49
42	08/10/28	10,083.72	1,182.10	448,983.77
43	09/10/28	10,109.69	1,156.13	438,874.08
44	10/10/28	10,135.72	1,130.10	428,738.36
45	11/10/28	10,161.82	1,104.00	418,576.54
46	12/10/28	10,187.98	1,077.84	408,388.56
47	01/10/29	10,214.22	1,051.60	398,174.34
48	02/10/29	10,240.52	1,025.30	387,933.82
49	03/10/29	10,266.89	998.93	377,666.93
50	04/10/29	10,293.33	972.49	367,373.60
51	05/10/29	10,319.83	945.99	357,053.77
52	06/10/29	10,346.41	919.41	346,707.36

53	07/10/29	10,373.05	892.77	336,334.31
54	08/10/29	10,399.76	866.06	325,934.55
55	09/10/29	10,426.54	839.28	315,508.01
56	10/10/29	10,453.39	812.43	305,054.62
57	11/10/29	10,480.30	785.52	294,574.32
58	12/10/29	10,507.29	758.53	284,067.03
59	01/10/30	10,534.35	731.47	273,532.68
60	02/10/30	10,561.47	704.35	262,971.21
61	03/10/30	10,588.67	677.15	252,382.54
62	04/10/30	10,615.94	649.88	241,766.60
63	05/10/30	10,643.27	622.55	231,123.33
64	06/10/30	10,670.68	595.14	220,452.65
65	07/10/30	10,698.15	567.67	209,754.50
66	08/10/30	10,725.70	540.12	199,028.80
67	09/10/30	10,753.32	512.50	188,275.48
68	10/10/30	10,781.02	484.80	177,494.46
69	11/10/30	10,808.77	457.05	166,685.69
70	12/10/30	10,836.60	429.22	155,849.09
71	01/10/31	10,864.51	401.31	144,984.58
72	02/10/31	10,892.49	373.33	134,092.09
73	03/10/31	10,920.53	345.29	123,171.56
74	04/10/31	10,948.65	317.17	112,222.91
75	05/10/31	10,976.85	288.97	101,246.06
76	06/10/31	11,005.11	260.71	90,240.95
77	07/10/31	11,033.45	232.37	79,207.50
78	08/10/31	11,061.86	203.96	68,145.64
79	09/10/31	11,090.35	175.47	57,055.29
80	10/10/31	11,118.90	146.92	45,936.39
81	11/10/31	11,147.53	118.29	34,788.86
82	12/10/31	11,176.24	89.58	23,612.62
83	01/10/32	11,205.02	60.80	12,407.60
84	02/10/32	12,407.60	31.95	0.00

FEDERAL TAX CERTIFICATE

I, the undersigned officer of the Henderson County Emergency Services District No. 12, a political subdivision of the State of Texas (together with any successor to its duties and functions, the "Issuer") make this certification for the benefit of all persons interested in the exclusion from gross income and certain other treatment for federal income tax purposes of the interest to be paid on the Issuer's Promissory Note, (the "Obligations") in the aggregate principal amount of \$850,000.00, which are being issued and delivered simultaneously with the delivery of this certificate (the "Certificate"). I do hereby certify as follows:

1. General I am the duly chosen, qualified and acting officer of the Issuer for the office shown below my signature. In such capacity, I am charged, along with others, with responsibility for issuing the Obligations. I am familiar with the facts, estimates and expectations certified herein, and I am duly authorized to execute and deliver this Certificate. I am familiar with the provisions of the resolution adopted on February 17, 2025, authorizing the issuance of the Obligations (the "Resolution"), the Loan Agreement, dated March 6, 2025 between UBank. (the "Lender") and the Issuer (the "Loan Agreement"), and particularly the provisions thereof relating to the treatment of the Obligations and the interest thereon for federal income tax purposes. I am aware of the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), including Sections 103 and 141 through 150 thereof, and the Treasury Regulations (the "Regulations") promulgated under the Code. This Certificate is being executed and delivered pursuant to the relevant provisions of the Code and Sections 1.141-1 through 1.141-15, 1.148-0 through 1.148-11, 1.149(d), 1.149(g)-1, 1.150-1 and 1.150-2 of the Regulations. Certain terms used herein have the same meanings as given to those terms in the Code and the Regulations. Capitalized terms used in this Certificate (unless otherwise indicated herein) shall have the meanings ascribed to them in the Loan Agreement.

2. Reasonable Expectations As an officer of the Issuer responsible for issuing the Obligations, the undersigned hereby certifies, in good faith, that the Issuer's expectations, as of the Issue Date (as defined herein), regarding the amount and use of the gross proceeds of the Obligations and other matters relevant to the treatment of interest on the Obligations for federal income tax purposes are accurately and completely stated herein, that all of such expectations are reasonable and are based on the facts and estimates stated in this Certificate, that all of the facts and estimates stated in this Certificate are accurate. The undersigned has relied on certain representations made by UBank, the Initial Purchaser of the Obligations (the "Initial Purchaser") in the Certificate of Initial Purchaser, attached hereto as Exhibit A. The undersigned is aware of no other facts, estimates or circumstances which would indicate that any of the expectations stated herein are not reasonable.

3. Description of Governmental Purposes The Issuer is issuing the Obligations pursuant to the Resolution to provide funds, which will be used to purchase a fire truck for use by the Issuer (the "Project").

4. Proceeds of the Obligations The sales proceeds from the sale of the Obligations received by the Issuer is \$850,000.00, which represents the aggregate principal amount of the Obligations.

5. Use of Proceeds of the Obligations The sales proceeds from the sale of the Obligations received by the Issuer will be expended and applied by the Issuer as follows:

(a) Proceeds of the Obligations in the amount of \$850,000.00 will be used by the Issuer to finance the Project.

(b) Proceeds of the Obligations in the amount of \$0.00 will be used by the Issuer to pay costs of issuance of the Obligations.

6. Pre-Issuance Accrued Interest Interest on the Obligations begins to accrue on the Issue Date; therefore, the Obligations are being issued without pre-issuance accrued interest.

7. Investment Proceeds Investment Proceeds earned on Proceeds held in the funds and accounts established in connection with the Note shall be retained in each such fund or account. Investment Proceeds of the Note may be used to pay costs of the Project.

8. Replacement Proceeds There are no amounts on hand, and there are no amounts expected to be received, other than amounts identified herein as proceeds of the Obligations and amounts to be held in the Debt Service Fund for the payment of debt service on the Obligations (as discussed in paragraph 12) which have or will have at any time a sufficiently direct nexus to the Obligations or to any governmental purpose of the Obligations to conclude that such amounts would have been used for that governmental purpose if the proceeds of the Obligations were not used or to be used for that governmental purpose. More specifically --

(a) **Sinking Funds and Pledged Funds** Other than the Debt Service Fund and the amounts and investments on deposit therein from time to time, there are not now and will not be at any time while the Obligations are outstanding --

(i) any debt service fund, reserve fund, replacement fund, any similar fund, or any amount or investment reasonably expected to be used, directly or indirectly (such as, by the generation of income to be used), to pay principal or interest on the Obligations; and

(ii) any fund, amount, or investment that is directly or indirectly pledged to pay principal or interest on the Obligations. A pledge includes, but is not limited to, any arrangement, regardless of its form, which provides reasonable assurance that the amount will be available to pay principal or interest, even if the Issuer encounters financial difficulty. A pledge to a guarantor or an agreement to maintain an amount at a particular level or balance for the direct or indirect benefit of bondholder or a guarantor would constitute a pledge for this purpose.

(b) **No Other Replacement Proceeds** There will be no other replacement proceeds allocable to the Obligations. Based on the reasonable expectations of the Issuer as of the date hereof, the term of the Obligations is not longer than, and the Issuer will not allow the Obligations to remain outstanding longer than, is reasonably necessary for the governmental purposes for which the Obligations are being issued. The weighted average maturity of the Obligations does not exceed 120 percent of the reasonably expected economic life of the capital projects being financed by the Obligations, determined in the same manner as provided under Section 147(b) of the Code. In

addition, none of the proceeds of the Obligations will be used to finance working capital expenditures.

9. No Overissuance Based on the expectations set forth in the preceding paragraphs, the amount of the proceeds from the issuance of the Obligations, plus all investment proceeds to be received with respect to the Obligations, does not exceed by any amount, the amount required for the governmental purposes for which the Obligations are being issued, as described in paragraph 3 above.

10. Temporary Period Requirements for the Obligations.

(a) Pre-Issuance Accrued Interest Interest on the Obligations begins to accrue on Issue Date; therefore, the Obligations are being issued without pre-issuance accrued interest.

(b) Expenditure Test Eighty-Five percent of the proceeds will be used to carry out the Project within three years after the Issue Date. The Issuer expects to expend all of the proceeds on the date of issuance for the purchase of the Project.

(c) Prosecution of the Project.

The Issuer expects the work on the Project and the expenditure of sale proceeds to proceed with due diligence from the Issue Date until the completion of the Project.

The term “net sale proceeds” shall mean any amount actually or constructively received from the sale of the Obligations, including amounts constituting the underwriter’s discount or compensation and accrued interest, other than pre-issuance accrued interest, less amounts invested as part of a reasonably required reserve or replacement fund or as part of a minor portion for the Obligations.

11. Flow of Funds Under the Obligations, the Issuer is obligated to assess and collect taxes in an amount sufficient to pay debt service on the Obligations. All taxes assessed and collected by the Issuer for and on account of the Obligations will be deposited into the Debt Service Fund (as defined below).

12. Debt Service Fund The Issuer created pursuant to the Loan Agreement the Debt Service Fund to be used primarily to achieve a proper matching of taxes and debt service on the Obligations within each bond year. The Issuer expects that the taxes collected each year, and amounts received from investment of moneys held in the Debt Service Fund, will be sufficient to pay debt service each year on the Obligations. The portion of the Debt Service Fund which will be depleted by the payment of debt service on the Obligations at least once each bond year, except for a reasonable carryover amount not to exceed the greater of (a) one year’s earnings on the Debt Service Fund for the immediately preceding bond year or (b) one-twelfth of the principal and interest payments on the issue for the immediately preceding bond year, will constitute a bona fide Debt Service Fund and will be treated as a separate fund (the “Bona Fide Portion”) for purposes of this Certificate. Amounts, other than proceeds of the Obligations, remaining in the Debt Service Fund, after the annual payment of all principal of and interest and premium, if any, on the Obligations, other than the reasonable carryover amount described in the preceding sentence will be treated for purposes of this Certificate as a separate fund (the “Reserve Portion”). The Issuer reasonably expects that the sum of any amounts in the Debt

Service Fund which (i) are allocable to such Reserve Portion or (ii) are allocable to the Bona Fide Portion, but are not spent for the payment of debt service on the Obligations within 13 months after the date of receipt of such amount, will not exceed the least of (x) 10 percent of the Issue Price (as defined in paragraph 13), (y) the maximum annual principal and interest requirements on the Obligations, or (z) 125 percent of the average annual principal and interest requirement on the Obligations, at any time so long as the Obligations are outstanding. To the extent any such accumulations exceed such amount, the excess amount will be invested at a yield not in excess of the yield on the Obligations, except as set forth in paragraph 17 below.

13. Issue Price The term “Issue Price” with respect to the entire issue of Obligations is set forth in the Certificate of Initial Purchaser attached as Exhibit A and incorporated herein by reference without taking into account any costs of issuance or pre-issuance accrued interest.

14. Yield on the Obligations For purposes of this Certificate, the term “yield” shall have the meaning ascribed to it in Section 148(h) of the Code and the Regulations in effect thereunder and, when used with respect to the Obligations, shall mean that interest rate which when used as a discount factor to compute the present value as of the Issue Date of all scheduled payments of principal of and interest on the Obligations produces an amount equal to (i) the Issue Price of the Obligations, plus (ii) pre-issuance accrued interest on the Obligations as of the Issue Date. Yield on the Obligations shall not take into account or reflect any underwriter’s discount or cost of issuance of the Obligations. For purposes hereof, yield is and shall be calculated on the basis of a 360-day year with interest compounded semi-annually.

15. Other Issues There are no obligations issued by the Issuer or any related party of the Issuer which (a) are sold at the same time as the Obligations (within 15 days), (b) are reasonably expected to be paid from the same source of funds as the Obligations and (c) have been or will be sold pursuant to the same plan of financing as the Obligations.

16. No Other Sinking Funds Other than the Debt Service Fund, there are no other funds or accounts comprised of investment property established by and on behalf of the Issuer (a) which are expected to be used, or expected to generate earnings to be used, to pay debt service on the Obligations, or which are reserved or pledged as collateral for payment of debt service on the Obligations and (b) for which there is reasonable assurance that amounts therein will be available to pay debt service on the Obligations if the Issuer encounters financial difficulties. Use of amounts in the Interest and Sinking Fund is described above. There is no other fund established, or to be created or established, which would be treated as a sinking fund with respect to the Obligations.

17. Minor Portion The Issuer expects that the gross proceeds of the Obligations, including all proceeds received with respect to the Obligations and all investment proceeds received on such amounts, and all other amounts pledged or anticipated to be used to pay principal of and interest on the Obligations, other than amounts representing a portion of the Bona Fide Portion of the Debt Service Fund, will be expended in accordance with paragraphs 5 and 10 above. To the extent that such amounts remain unexpended or are otherwise on hand following the periods set forth in paragraph 10 above exceeds the amount specified in this paragraph, the Issuer will invest such amounts, other than a minor portion in an amount not exceeding the lesser of 5 percent of the sale proceeds of the Obligations or \$100,000 in the aggregate, at a yield not materially higher than the yield on the Obligations.

18. Compliance with Rebate Requirements.

Pursuant to the terms of the Loan Agreement, the Issuer has covenanted to comply with the requirements code including determining what is required with respect to the rebate provisions contained in Section 148(f) of the Code and the Treasury regulations from tie to time.

19. Not a Reimbursement None of the proceeds of the Obligations will be allocated to, or otherwise used, to reimburse any expenditure paid, either actually or constructively, by the Issuer prior to the Issue Date.

20. Not a Hedge Bond Not more than 50 percent of the proceeds of the Obligations will be invested in non-purpose investments (as defined in Section 148(f)(6)(A) of the Code) having a substantially guaranteed yield for four years or more within the meaning of Section 149(g)(3)(A)(ii) of the Code, and the Issuer reasonably expects that at least 85 percent of the spendable proceeds of the Obligations will be used to carry out the governmental purposes of the Obligations within the three-year period beginning on the date the Obligations were issued.

21. No Change In Use The Issuer does not expect to dispose of any portion of the Project while any of the Obligations are outstanding.

22. No Abusive Arbitrage Device The Obligations are not and will not be a part of an issue in which an abusive arbitrage device (as defined in Section 1.148-10(a) of the Regulations) is used. Without limiting the foregoing, the Obligations are not and will not be a part of a transaction or series of transactions that attempts to circumvent the provisions of Section 148 of the Code and the Regulations, by (i) enabling the Issuer to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (ii) increasing the burden on the market for tax-exempt obligations. In this regard, the Issuer issued the Obligations for the primary purpose of accomplishing the bona fide governmental purposes set forth in paragraph 3 of this Certificate. Based on all the facts and circumstances, the Issuer has not issued the Obligations in an amount higher than is reasonably necessary to accomplish the governmental purposes of the Obligations, the Issuer has not issued the Obligations earlier than is reasonably necessary to accomplish the governmental purposes of the Obligations and the Issuer is not allowing the Obligations to remain outstanding longer than is reasonably necessary to accomplish the governmental purposes of the Obligations. The Issuer would have issued the Obligations regardless of any arbitrage benefit, which it may realize in connection with the Obligations. In fact, the Issuer reasonably expects that even if the Obligations were not tax-exempt obligations and if market rates of interest on taxable and tax-exempt obligations were equal to each other and to the rates at which the Obligations are in fact now being issued, the Issuer would have issued the Obligations, notwithstanding the loss of any opportunity to borrow at lower tax-exempt rates and invest at higher taxable rates.

(a) No Impermissible Sinking Fund No portion of the Obligations has a maturity determined primarily for the purpose of creating a sinking fund with respect to the Obligations the yield on which will be blended with the yield on the investment of other proceeds of the Obligations to reduce the negative arbitrage related to such investment.

(b) No Working Capital Except for an amount that does not exceed 5 percent of the Sale Proceeds of the Obligations (and that is directly related to capital expenditures financed by the Obligations), the Issuer will only expend proceeds of the Obligations for (i) costs that would be chargeable to the capital accounts of the Project if the Issuer's income were subject to federal income taxation and (ii) interest on the Obligations in an amount that does not cause the aggregate amount of interest paid on all of the Obligations to exceed that amount of interest on the Obligations that is attributable to the period that commences on the date hereof and ends on the later of (A) the date that is three years from the issue date of the Obligations or (B) the date that is one year after the date on which the Project is placed in service.

(c) No Sale of a Conduit Loan No portion of the gross proceeds of the Obligations has been or will be used to acquire, finance or refinance a conduit loan.

23. Allocations and Accounting The proceeds of the Obligations will be allocated to expenditures not later than 18 months after the later of the date the expenditure is made or the date the Project is placed in service, but in no event later than the date that is 60 days after the fifth anniversary of the date hereof or the retirement of the last Obligations, if earlier. The allocation of proceeds will be made by employing the direct-tracing method of accounting, unless the Issuer elects otherwise.

24. No Arbitrage On the basis of the foregoing facts, estimates and circumstances, it is expected that the proceeds of the Obligations will not be used in a manner that would cause any of the Obligations to be an "arbitrage bond" within the meaning of Section 148 of the Code and the Regulations. To the best of the knowledge and belief of the undersigned, there are no other facts, estimates or circumstances that would materially change such expectations.

25. No Private Use, Payments or Loan Financing.

(a) No "Private Activity Bonds" None of the Obligations are "private activity bonds" as that term is defined in section 141(a) of the Code. The Project will be owned and maintained by the Issuer. Except for de minimis use, there will be no private use of the Project, and no person has any obligation to make payment of, or secure the payment of, any of the Obligation other than the Issuer. Other than members of the general public, the Issuer expects that throughout the greater of the term of the Obligation, or the useful life of the Project, the only user of the Project will be the Issuer and the Chandler Volunteer Fire Department. The Issuer is and will be the manager of the Project.

(b) Dispositions of Personal Property in the Ordinary Course Dispositions of personal property financed with any portion of the proceeds of the Obligations will occur in the ordinary course of an established governmental program and will satisfy the following requirements:

(i) The weighted average maturity of the portion of the Obligations financing personal property is not greater than 120 percent of the reasonably expected actual use of such personal property for governmental purposes;

(ii) The reasonably expected fair market value of such personal property on the date of disposition will not be greater than 25 percent of its cost;

(iii) Such personal property will no longer be suitable for its governmental purposes on the date of disposition; and

(iv) The Issuer is required to deposit amounts received from such disposition in a commingled fund with substantial tax or other governmental revenues and the Issuer reasonably expects to spend such amounts on governmental programs within 6 months from the date of commingling.

26. Weighted Average Maturity The weighted average maturity of the Obligations is 7.023 years which is the sum of the products of the Issue Price of each group of identical Obligations and the number of years to maturity (determined separately for each group of identical Obligations and taking into account mandatory redemptions), divided by the aggregate sale proceeds of the Obligations.

[SIGNATURE PAGE FOLLOWS]

WITNESS MY HAND, as of this 6th day of March, 2025.

**HENDERSON COUNTY EMERGENCY SERVICES
DISTRICT NO. 12**

By: _____



Cody Seale, President

Board of Emergency Services Commissioners

EXHIBIT A — Certificate of Initial Purchaser

EXHIBIT A
ISSUE PRICE CERTIFICATE

\$850,000.00
HENDERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 12
PROMISSORY NOTE

CERTIFICATE OF UBANK

The undersigned, on behalf of Ubank. (the "Purchaser"), hereby certifies as set forth below with respect to the purchase of the above-captioned obligations (the "Note").

1. ***Purchase of the Note.*** On the date of this certificate, the Purchaser is purchasing the Note for the amount of \$850,000.00. The Purchaser is not acting as an Underwriter with respect to the Note. The Purchaser has no present intention to sell, reoffer, or otherwise dispose of the Note (or any portion of the Note or any interest in the Note). The Purchaser has not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Note and the Purchaser has not agreed with the Issuer pursuant to a written agreement to sell the Note to persons other than the Purchaser or a related party to the Purchaser.

2. ***Defined Terms.***

(a) ***Public*** means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(b) ***Underwriter*** means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Note to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Note 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 Note to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the No Arbitrage and Tax Certificate and with respect to compliance with the federal income tax rules affecting the Note, and by Naman Howell Smith & Lee, PLLC, bond counsel, in connection with rendering its opinion that the interest on the Note is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038 G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Note.

UBANK, as Purchaser

By: _____

Name: _____

Dated: March 6, 2025

Information Return for Tax-Exempt Governmental Bonds

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

► Go to www.irs.gov/F8038G for instructions and the latest information.

OMB No. 1545-0047

Part I Reporting AuthorityCheck box if Amended Return ► ☐

1 Issuer's name Henderson County Emergency Services District No. 12		2 Issuer's employer identification number (EIN) 93-3946445
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a
4 Number and street (or P.O. box if mail is not delivered to street address) PO Box 1768	Room/suite	5 Report number (For IRS Use Only) 3
6 City, town, or post office, state, and ZIP code Chandler, Texas 75758		7 Date of issue 03/06/2025
8 Name of issue 2025 Sales Tax Note		9 CUSIP number N/A
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information Cody Seale		10b Telephone number of officer or other employee shown on 10a

Part II Type of Issue (Enter the issue price.) See the instructions and attach schedule.

11 Education	11	
12 Health and hospital	12	
13 Transportation	13	
14 Public safety	14	850,000
15 Environment (including sewage bonds)	15	
16 Housing	16	
17 Utilities	17	
18 Other. Describe ►	18	
19a If bonds are TANs or RANs, check only box 19a	►	<input type="checkbox"/>
b If bonds are BANs, check only box 19b	►	<input type="checkbox"/>
20 If bonds are in the form of a lease or installment sale, check box	►	<input type="checkbox"/>

Part III Description of Bonds. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	03/10/2032	\$ 850,000	\$ 850,000	8.711101 years	3.030000 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22 Proceeds used for accrued interest	22	0.00
23 Issue price of entire issue (enter amount from line 21, column (b))	23	850,000
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	0.00
25 Proceeds used for credit enhancement	25	0.00
26 Proceeds allocated to reasonably required reserve or replacement fund	26	0.00
27 Proceeds used to refund prior tax-exempt bonds. Complete Part V	27	0.00
28 Proceeds used to refund prior taxable bonds. Complete Part V	28	0.00
29 Total (add lines 24 through 28)	29	0
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	850,000

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

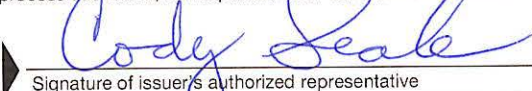
31 Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	►	N/A years
32 Enter the remaining weighted average maturity of the taxable bonds to be refunded	►	N/A years
33 Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)	►	N/A
34 Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)		N/A

Part VI Miscellaneous

- 35** Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) **35** 0.00
- 36a** Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions **36a** 0.00
- b** Enter the final maturity date of the GIC ► (MM/DD/YYYY) _____
- c** Enter the name of the GIC provider ► _____
- 37** Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units **37** 0.00
- 38a** If this issue is a loan made from the proceeds of another tax-exempt issue, check box ► ☐ and enter the following information:
- b** Enter the date of the master pool bond ► (MM/DD/YYYY) _____
- c** Enter the EIN of the issuer of the master pool bond ► _____
- d** Enter the name of the issuer of the master pool bond ► _____
- 39** If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ► ☒
- 40** If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ► ☐
- 41a** If the issuer has identified a hedge, check here ► ☐ and enter the following information:
- b** Name of hedge provider ► _____
- c** Type of hedge ► _____
- d** Term of hedge ► _____
- 42** If the issuer has superintegrated the hedge, check box ► ☐
- 43** If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ► ☐
- 44** If the issuer has established written procedures to monitor the requirements of section 148, check box ► ☒
- 45a** If some portion of the proceeds was used to reimburse expenditures, check here ► ☐ and enter the amount of reimbursement ► _____
- b** Enter the date the official intent was adopted ► (MM/DD/YYYY) _____

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

 _____
Signature of issuer's authorized representative

3-6-25
Date

Cody Seale, President

Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name

Andrew Clark

Preparer's signature

Date

Check ☐ if self-employed

PTIN

P01700734

Firm's name ► **Naman Howell Smith & Lee, PLLC**

Firm's EIN ► **74-2004800**

Firm's address ► **8310 N. Capital of Texas Hwy, Ste 490, Austin, TX 78732**

Phone no. **512.225.8812**

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTY OF HENDERSON §
HENDERSON COUNTY EMERGENCY §
SERVICES DISTRICT NO. 12 §

We, the undersigned officers of Henderson County Emergency Services District No. 12 (the "District"), hereby certify as follows:

1. The Board of Emergency Services Commissioners of the District convened in a regular/special meeting on February 17, 2025, at the designated meeting place (the "Meeting"), and the roll was called of the duly constituted officers and members of said Board of Emergency Services Commissioners, to wit:

<u>Name</u>	<u>Title</u>
Cody Seale	President
Terrence Lyon	Vice President
Kari Bersano	Treasurer
Nancy Bertholf	Secretary
Mark Hammack	Communications

and all of said persons were present, except _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at the Meeting: a written

RESOLUTION OF THE BOARD OF EMERGENCY SERVICES COMMISSIONERS OF HENDERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 12 REGARDING A LOAN

(the "Resolution") was duly introduced for the consideration of the Board of Emergency Services Commissioners. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion carrying with it the adoption of the Resolution, prevailed and carried by the following vote:

AYES: All members of the Board of Emergency Services Commissioners shown present above voted "Aye" except as shown below.

NOES: —


ABSTAIN: —

2. That a true, full, and correct copy of the Resolution is attached to and follows this Certificate; that the Resolution has been duly recorded in the Board of Emergency Services Commissioners' minutes of the Meeting; that the above and foregoing paragraph is a true, full, and correct excerpt from the Board of Emergency Services Commissioners' minutes of the Meeting; that the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board of Emergency Services Commissioners as indicated therein; that each of the officers and members of the Board of Emergency Services Commissioners was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting, and that the Resolution would be introduced and considered for adoption at the Meeting, and each of the officers and members consented, in advance, to the holding of the Meeting for such purpose, and that the Meeting was open to the public and public notice of the time, place, and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code.

3. That the President of the Board of Emergency Services Commissioners of the District has approved and hereby approves the Resolution; that the President and the Secretary of the District have duly signed the Resolution; and that the President and the Secretary of the District hereby declare that their signing of this Certificate shall constitute the signing of the attached and following copy of the Resolution for all purposes.

SIGNED this March 6th, 2025.


Nancy Bertholf, Secretary


Cody Seale, President

**RESOLUTION
OF THE BOARD OF EMERGENCY SERVICES COMMISSIONERS OF
HENDERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 12
REGARDING A LOAN**

WHEREAS, HENDERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 12 ("District") proposes to enter into the LOAN AGREEMENT, dated as of March 6, 2025 (the "Loan Agreement"), with UBank ("Lender") to enable the District (1) to finance the purchase of a new fire truck for use by the District, in an amount equal to \$850,000.00 and as security for the payment of the principal of and interest thereon, the District has agreed to pledge its ad valorem taxes.

WHEREAS, the proposed form of the Loan Agreement and the Note (as defined in the Loan Agreement) have been presented at this meeting;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF EMERGENCY SERVICES COMMISSIONERS OF HENDERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 12 AS FOLLOWS:

Section 1. The Board of Commissioners agrees that it is appropriate for the District to enter into the Loan Agreement and the Note for the purposes described above, in a principal amount equal to \$850,000.00 at an interest rate of 3.09% and, in order to secure the principal of and interest on the Note, to pledge its ad valorem taxes. During the term of the Loan Agreement, the District covenants that prior to adopting a budget for any ensuing fiscal year the District shall place in its proposed budget for such ensuing fiscal year an amount necessary to pay all amounts payable under the Loan Agreement for such ensuing fiscal year and that the final budget for each fiscal year shall set aside and appropriate out of revenues generated from the District's tax revenues and other revenues and funds lawfully available therefor an amount sufficient to pay all amounts payable under the Loan Agreement. The District shall levy and agrees to assess and collect, a continuing direct annual Limited Tax on all taxable property within the boundaries of the District, within the limitations prescribed by law, at a rate from year to year sufficient, together with such other revenues and funds lawfully available to the District for the payment of all amounts payable under the Loan Agreement, full allowance being made for delinquencies and costs of collection.

Section 2. Any one or more of the Authorized Officers of the District listed in Section 3 below is hereby authorized to execute, acknowledge, and deliver in the name and on behalf of the District to the Lender the Loan Agreement and the Note dated as of March 5, 2025 or any date thereafter determined by the Authorized Officers, including all attachments and exhibits thereto; and the Loan Agreement and the Note shall be in substantially the form presented at this meeting with such changes as the signing officer shall determine to be advisable. Further, said Authorized Officers are authorized to execute, acknowledge, and deliver in the name and on behalf of the District any other agreement, instrument, certificate, representation, and document, and to take any other action as may be advisable, convenient, or necessary to enter into such Loan Agreement and Note, and the execution thereof by any such Authorized Officer shall be conclusive as to such determination.

Section 3. For the purpose of this resolution, the President and Secretary are “Authorized Officers” duly authorized to enter into the transaction and execute documents contemplated by this resolution in the name and on behalf of the District.

Section 4. This Resolution shall take effect immediately.

DISCLAIMER OF ORAL AGREEMENTS

THIS DISCLAIMER OF ORAL AGREEMENTS is made effective **March 6, 2025**, and is incorporated by and into and shall be deemed to amend and supplement any and all documents constituting "Loan Agreements" as defined by Section 26.02 of the Texas Business & Commerce Code by and between **Henderson County Emergency Services District No. 12** ("District") and **UBank** ("Lender") dated **March 6, 2025**, or of even date herewith

In addition to the covenants made in the Loan Agreements, District and Lender further covenant and agree as follows:

1. The rights and obligations of District and Lender shall be determined solely from the written Loan Agreements, and any prior oral agreements between Lender and District are superseded by and merged into the Loan Agreements.
2. The Loan Agreements may not be varied by any oral agreements or discussions that occur before, contemporaneously with, or subsequent to the execution of the Loan Agreements.
3. The following Notice is provided pursuant to Section 26.02 of the Texas Business & Commerce Code:

THE WRITTEN LOAN AGREEMENTS REPRESENT THE FINAL AGREEMENTS BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

IN WITNESS HEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

DISTRICT:

Henderson County Emergency Services District No. 12

By: _____


Cody Seale, President

ERRORS AND OMISSIONS AGREEMENT

In consideration of **UBank** (the "Lender") extending funds (the "Loan") for the acquisition and/or financing of emergency services equipment, the undersigned (the "District") agrees, upon request of Lender, to correct any inaccurate terms or provisions in any and all of the documents executed or delivered in connection with the Loan.

The agreements contained herein shall apply whether the mistake or inaccuracy is due to a unilateral mistake on the part of the Lender or District, a mutual mistake on the part of Lender and District or a clerical error on the part of any party to the transaction.

District further agrees to comply with any request within ten (10) days of the date such request is made. Failure to comply shall constitute default under the Note evidencing the Loan. In addition, District shall be liable for any and all losses or damages sustained by Lender as a result of such failure, including, but not limited to, all attorney's fees and costs incurred by Lender.

This Agreement shall be binding on the District, and shall inure to the benefit of Lender, its successors and assigns.

Date: **March 6, 2025**

DISTRICT:

Henderson County Emergency Services District No. 12

By: _____


Cody Seale, President