

**CITY OF BOERNE, TEXAS
447 NORTH MAIN STREET
BOERNE, TEXAS 78006**

October 26, 2021

Ms. Charmaine Hunter
Zions Bancorporation, National Association
1801 Main Street, Suite 400
Houston, Texas 77002

Mr. Doug Milner
Regions Bank
3773 Richmond Ave, Suite 1100
Houston, Texas 77046

Re: City of Boerne, Texas General Obligation Refunding Bonds, Series 2021 (the *Bonds*)

Dear Ms. Hunter and Mr. Milner:

Regions Bank, Houston, Texas, currently serves as the Paying Agent (the *2014 Refunded Paying Agent*) for obligations designated as “City of Boerne, Texas General Obligation Refunding Bonds, Series 2014” currently outstanding in the amount of \$6,820,000 (the *2014 Refunded Obligations*) and Zions Bancorporation, National Association, Houston, Texas, currently serves as the Paying Agent (the *2017 Refunded Paying Agent*) for obligations designated as “City of Boerne, Texas Tax Notes, Series 2017” currently outstanding in the amount of \$18,380,000 (the *2017 Refunded Obligations*); and, together with the 2014 Refunded Obligations, the *Refunded Obligations*).

Zions Bancorporation, National Association, Houston, Texas, has been designated as the Paying Agent/Registrar (the *Bank*), and as the Escrow Agent (the *Escrow Agent*) for the captioned financing.

The Refunded Obligations will be redeemed on March 1, 2022 (the *Redemption Date*), with certain proceeds of the Bonds, which are scheduled to be delivered in exchange for the purchase price therefor on December 15, 2021 (the *Closing Date*). The issuer of the Bonds is the City of Boerne, Texas. At 9:00 a.m., Central Time, on the Closing Date, the members of the City Council (the *City Council*) of the City (the *Issuer*) will receive or transfer (or cause to be transferred) the following funds:

1. \$ _____ (representing an amount equal to the principal amount of the Bonds of \$_____.00, plus a [net] reoffering premium of \$ _____, less the Purchasers’ discount of \$ _____), and accrued interest of \$ _____, will be deposited by the initial purchasers of the Bonds with the Bank by federal funds wire transfer to ABA No. _____, Account No. _____, Account Name: City of Boerne, Texas General Obligation Refunding Bonds, Series 2021, Attn: Ms. Charmaine Hunter at (713) 232-6017; and
2. \$ _____ representing lawfully available funds of the Issuer will be deposited by the Issuer with the Bank by federal funds wire transfer to ABA No. _____, Account

No. _____, Account Name: City of Boerne, Texas General Obligation Refunding Bonds, Series 2021, Attn: Ms. Charmaine Hunter at (713) 232-6017.

Upon receipt from the Bank on the Closing Date, the Escrow Agent agrees to hold \$ _____ in a segregated, collateralized, trust account (the *Escrow Fund*). Such amount shall be collateralized only with, and, if invested, in whole or in part, shall be invested upon the direction of the City Council and only in securities or obligations specified in Section 1207.062(b)(1), as amended, Texas Government Code (the *Escrow Securities*), which may be in book-entry form; any uninvested funds shall be continuously collateralized with securities or obligations which qualify and are eligible under both the laws of the State of Texas and the laws of the United States of America to secure and be pledged as collateral for public funds to the extent such money is not insured by the Federal Deposit Insurance Corporation. The principal, premium, if any, and accrued interest on the Refunded Obligations to the Redemption Date is \$ _____. The Issuer intends that this deposit shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Obligations as required by the provisions of the laws of the State of Texas. Capitalized terms used herein and not defined shall have the meanings assigned in the Ordinance adopted by the City Council of the Issuer on October 26, 2021 (the *Ordinance*) which authorized the issuance of the Bonds.

The Issuer agrees to pay the Escrow Agent a reasonable fee for its services under this Agreement, which fee may be fixed by a separate agreement, but the agreement herein to pay such reasonable fee is deemed and confessed to be full and valid consideration to the Escrow Agent for its services hereunder. The Escrow Agent agrees that the fee for this Agreement shall be \$ _____. This Agreement shall not be assignable by the parties hereto, in whole or in part, and any attempted assignment shall be void and of no force and effect. The Escrow Agent hereby agrees that in no event shall it ever assert any claim or lien against the Escrow Fund for any fees for its services as Escrow Agent, or in any other capacity, or for any reimbursement for any of such expenses. Notwithstanding the foregoing, and notwithstanding anything else herein to the contrary, the aggregate value of this Agreement shall not exceed the dollar limitation set forth in Section 2271.002(a)(2) of the Texas Government Code or Section 2274.002(a)(2) of the Texas Government Code.

The Escrow Agent shall act only in the capacity of an Escrow Agent and shall be responsible and liable solely for a faithful account of the funds and any earnings thereon. The Escrow Agent assumes no liability except as expressed in this Agreement and in the observance of due diligence in accordance with ordinary business practices. No provisions of this Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it. Absent its negligence or willful misconduct, the Escrow Agent shall not be liable for any act or omission hereunder.

The Issuer also agrees to pay all Paying Agent fees and expenses, if any, relating to the Refunded Obligations until stated maturity or redemption, and the Paying Agent hereby covenants and agrees that it will continue to provide these services for the life of the Refunded Obligations with the remedy for nonpayment being solely an action by the Paying Agent against the City Council for amounts owing under the Paying Agent contract.

The Issuer may terminate this Agreement with the Escrow Agent by giving the Escrow Agent (a) 30 days written notice of termination and (b) an executed copy of an agreement with a successor escrow agent (which agent is qualified under Chapter 1207, as amended, Texas Government Code) of the Issuer's choosing which provides that the funds shall be transferred and held by the successor escrow agent on terms and conditions substantially the same as herein provided. In addition, upon disbursement of all of the funds this Agreement shall terminate and the Escrow Agent shall provide the Issuer with a final accounting of all of the funds disbursed from the Escrow Fund.

The Escrow Agent may consult with legal counsel in the event of a dispute or question as to the Escrow Agent's duties hereunder, and the Escrow Agent shall incur no liability and shall be fully protected in acting in accordance with the good faith, opinion and instruction of such counsel.

Should the Escrow Agent become involved in litigation in any manner whatsoever on account of this Agreement or the funds, in the absence of negligence or bad faith on the part of the Escrow Agent, the Issuer hereby binds and obligates itself to pay, to the extent permitted by law, the Escrow Agent in addition to any charge made hereunder for acting as the Escrow Agent, reasonable attorney's fees incurred by the Escrow Agent, and any other disbursements, expenses, losses, costs, and damages in connection with and resulting from such litigation. The Escrow Agent's right to indemnification shall survive the resignation or removal of the Escrow Agent and the termination of this Agreement.

The Escrow Agent represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Texas or Federal law and excludes the Escrow Agent and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Escrow Agent understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Escrow Agent and exists to make a profit.

The Escrow Agent shall be protected in acting upon any written notice, request, waiver, consent, certificate, receipt, authorization, power of attorney or other paper or document which the Escrow Agent in good faith believes to be genuine and what it purports to be.

The Escrow Agent shall have only those duties as are specifically provided herein, which shall be deemed purely ministerial in nature, and shall under no circumstance be deemed a

fiduciary for any of the parties to this Agreement. The Escrow Agent shall neither be responsible for, nor chargeable with, knowledge of the terms and conditions of any other agreement, instrument or document between the other parties hereto, in connection herewith. This Agreement sets forth all matters pertinent to the escrow contemplated hereunder, and no additional obligations of the Escrow Agent shall be inferred from the terms of this Agreement or any other Agreement.

You are hereby directed to disburse, transfer or retain the funds deposited pursuant to this Agreement in the following manner:

1. \$ _____ which amount shall be internally transferred on the Closing Date by the Bank to the Escrow Agent and subsequently transferred by internal transfer to the 2017 Refunded Paying Agent, _____, _____, _____, ABA No. _____, Account No. _____, Attn: Attn: Ms. Charmaine Hunter at (713) 232-6017 for further credit to the "City of Boerne, Texas Tax Notes, Series 2017" to (i) redeem the principal amount of the 2017 Refunded Obligations in the amount of \$18,380,000.00, (ii) to pay a redemption premium of \$ _____, (iii) to pay accrued interest on the 2017 Refunded Obligations in the amount of \$ _____, and (iv) to pay fees owing to the 2017 Refunded Paying Agent, including a redemption notice fee of \$ _____, in connection with the 2017 Refunded Obligations;
2. \$ _____ which amount shall be wire transferred on the Closing Date to the 2014 Refunded Paying Agent, Regions Bank, Houston, Texas, ABA No. 121000248, Account No. _____, Attn: Attn: Mr. Doug Milner at (713) 244-8041 for further credit to the "City of Boerne, Texas General Obligation Refunding Bonds, Series 2014" to (i) redeem the principal amount of the 2014 Refunded Obligations in the amount of \$6,820,000.00, (ii) to pay a redemption premium of \$ _____, (iii) to pay accrued interest on the 2014 Refunded Obligations in the amount of \$ _____, and (iv) to pay fees owing to the 2014 Refunded Paying Agent, including a redemption notice fee of \$ _____, in connection with the 2014 Refunded Obligations;
3. \$ _____ shall be retained by the Bank on the Closing Date for fees due the Escrow Agent (\$ _____) and the first year's fee as Paying Agent/Registrar (\$ _____) for the Bonds;
4. \$ _____, representing accrued interest on the Bonds in the amount of \$ _____, and additional proceeds in the amount of \$ _____.00, shall be deposited to the Bond Fund in accordance with the wiring instructions provided in the Closing Memorandum; and
5. \$ _____, representing certain costs of issuance of the Bonds, shall be wired by federal funds wire by the Bank on the Closing Date in accordance with the Closing Memorandum prepared by SAMCO Capital Markets, Inc., as Financial Advisor to the Issuer.

The Escrow Agent on March 2, 2022, or as soon as possible thereafter, shall submit a written statement to the Issuer that accounts for all investment earnings, if any, on the amounts deposited in the Escrow Fund and shall thereafter transfer such investment earnings to the Bond

Fund. Any amount remaining in the Escrow Fund after the transfer of the investment earnings to the Bond Fund shall be maintained in accordance with the laws of the State of Texas and any money remaining unclaimed by the holders of the Refunded Obligations for a period of three (3) years after March 1, 2022 shall be remitted to the Issuer against a written receipt therefor, subject to the unclaimed property laws of the State of Texas.

Thank you for your assistance in this matter.

This Agreement is provided pursuant to the provisions of the Ordinance authorizing the issuance of the Bonds.

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EXECUTED AND DELIVERED this 26th day of October, 2021.

CITY OF BOERNE, TEXAS

Mayor

This acknowledgment is provided for the benefit of the Attorney General of the State of Texas in his review and approval of the Bonds. The undersigned, as (a) paying agent under the Paying Agent/Registrar Agreement dated as of October 26, 2021 between the Issuer and the undersigned, acknowledges the (i) receipt of \$ _____ (representing an amount equal to the principal amount of the Bonds of \$_____.00, plus a [net] reoffering premium of \$ _____, less the purchaser's discount of \$ _____), and accrued interest of \$ _____, (ii) cash contribution from the City in the amount of \$ _____, and (iii) that it has applied such amounts in accordance with the closing instructions provided herein and (b) the Escrow Agent, acting through the authorized representative below, acknowledges receipt of this Escrow Deposit Letter and that it will apply such amounts in accordance with the terms provided herein. The Escrow Agent, acting through the authorized representative designated below, acknowledges receipt of the Ordinance and the ordinances authorizing the issuance of the Refunded Obligations.

ZIONS BANCORPORATION, NATIONAL
ASSOCIATION

Dated: _____

By: _____

Name: _____

Title: _____

This acknowledgment is provided for the benefit of the Attorney General of the State of Texas in his review and approval of the Bonds. The undersigned, as paying agent for the 2017 Refunded Obligations, acting through the authorized representative below, acknowledges receipt of this Escrow Deposit Letter, the Ordinance, the Notices of Redemption or waiver thereof, and the ordinances authorizing the issuance of the Refunded Obligations and that it will apply such amounts in accordance with the terms provided herein. The Paying Agent acknowledges that the amount due for any paying agent fees owed in connection with the 2017 Refunded Obligations is \$_____. The Notices of Redemption have been or will be provided to the holders of the Refunded Obligations in the form and manner required by the provisions of the ordinances authorizing the issuance of the 2017 Refunded Obligations.

ZIONS BANCORPORATION, NATIONAL
ASSOCIATION

Dated: _____

By: _____

Name: _____

Title: _____

This acknowledgment is provided for the benefit of the Attorney General of the State of Texas in his review and approval of the Bonds. The undersigned, as paying agent for the 2014 Refunded Obligations, acting through the authorized representative below, acknowledges receipt of this Escrow Deposit Letter, the Ordinance, the Notices of Redemption or waiver thereof, and the ordinances authorizing the issuance of the Refunded Obligations and that it will apply such amounts in accordance with the terms provided herein. The Paying Agent acknowledges that the amount due for any paying agent fees owed in connection with the 2014 Refunded Obligations is \$_____. The Notices of Redemption have been or will be provided to the holders of the Refunded Obligations in the form and manner required by the provisions of the ordinances authorizing the issuance of the 2014 Refunded Obligations.

REGIONS BANK

Dated: _____

By: _____

Name: _____

Title: _____