



TAX EXEMPTION AND NO-ARBITRAGE CERTIFICATE

**in connection with the
Hidalgo County, Texas**

Certificates of Obligation, Series 2020

Dated September 1, 2020, in the principal amount of \$28,490,000

This certificate is being delivered by the County of Hidalgo, Texas ("Commissioners Court" when referring to the governing body and "County" when referring to the legal entity) for the purpose of establishing the reasonable expectations of the "issuer" regarding the use and amount of proceeds of the Hidalgo County, Texas County's Certificates of Obligation, Series 2020 (the "Certificates").

1. Capacity; Authority; Definitions.

1.1 **Capacity.** The undersigned, the County's Judge and the County Budget Officer, are duly authorized to execute and deliver this certificate and are charged, with others, with the responsibility for issuing and delivering the Certificates. This certificate is being issued pursuant to Treasury Regulation section 1.148-2(b)(i), promulgated under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and prior internal revenue acts of the United States of America, and is delivered as part of the record of proceedings with respect to the Certificates. This certificate is based upon facts, circumstances, estimates and expectations of the County in existence on the date hereof, which is the date of original delivery of the Certificates and the Issue Price Certificate of the Underwriter, as hereinafter defined, which is attached hereto as Exhibit "A".

1.2 **General.** We are familiar with the facts certified to herein, and we are duly authorized to execute and deliver this Certificate. We are charged, along with others, with responsibility for issuing the Certificates.

1.3 **Regulations.** This Certificate is being executed and delivered pursuant to the relevant provisions of the Internal Revenue Code of 1986, as amended, particularly §103 and §§148 and 149, (the "Code"), and the Treasury Regulations promulgated under the Code, primarily Regulations 1.103-1, 1.148-D through 1.148-11, 1.149(e)-1, 1.149(g)-1, 1.150-1, and 1.150-2 (the "Regulations") issued under Sections 103 and 141 through 150 of the Code. The County intends to rely on the Regulations in complying with the Code with respect to the Certificates. Certain terms used herein have the same meanings as given to those terms in the Code and the Regulations.

1.4 **Terms Defined in the Regulations.** The following terms have the meanings ascribed to them in the Regulations unless the context hereof clearly requires otherwise: issue price, bond year, capital expenditure, computation date, fair market value, fixed yield, fixed yield bond, gross proceeds, hedge, hedge bond, investment, investment proceeds, investment property, issue, issue date, issue price, net sale proceeds, nonpurpose investments, nonpurpose payments, nonpurpose receipts, official intent, original expenditures, original proceeds, replacement proceeds, placed in service, proceeds, qualified administrative costs, qualified hedge, rebatable arbitrage, replacement proceeds, reimburse, reimbursement, reimbursement bond, required rebate, sale date, sale proceeds, weighted average maturity, working capital expenditure and yield.

EXECUTED AND DELIVERED as of and on _____.

Do Not Date

HIDALGO COUNTY, TEXAS

By: _____

Richard F. Luce

County Judge