



## PAYING AGENT/REGISTRAR AGREEMENT

This agreement (the “Agreement”) is dated as of September 26, 2023 by and between COUNTY OF HIDALGO, TEXAS (the “Issuer”) and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., Dallas, Texas, as Paying Agent/Registrar (the “Bank”).

### RECITALS

The Issuer has duly authorized and provided for the issuance of its bonds, entitled “Hidalgo County, Texas Certificates of Obligation, Series 2023” (the “Certificates”) to be issued as fully registered Certificates;

All things necessary to make the Certificates the valid obligations of the Issuer, in accordance with their terms, will be done upon the issuance and delivery thereof;

The Issuer and the Bank wish to provide the terms under which the Bank will act as Paying Agent to pay the principal of and interest on the Certificates, in accordance with the terms thereof, and under which the Bank will act as Registrar for the Certificates;

The Issuer and the Bank have duly authorized the execution and delivery of this Agreement; and all things necessary to make this Agreement the valid agreement of the parties, in accordance with its terms, have been done.

NOW, THEREFORE, it is mutually agreed as follows:

### ARTICLE I

#### APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

##### Section 1.01 Appointment.

The Issuer hereby appoints the Bank to act as Paying Agent with respect to the Certificates, to pay to the Registered Owners of the Certificates, in accordance with the terms and provisions of this Agreement and the Order, the principal of, redemption premium, if any, and interest on all or any of the Certificates.

The Issuer hereby appoints the Bank as Registrar with respect to the Certificates.

The Bank hereby accepts its appointment and agrees to act as Paying Agent and Registrar.

##### Section 1.02 Compensation.

As compensation for the Bank’s Services as Paying Agent and Registrar, the Issuer hereby agrees to pay the Bank the fees set forth in the Bank’s fee schedule attached as Exhibit A hereto. The Bank reserves the right to amend the fee schedule at any time, provided the Bank shall have furnished the Issuer with a written copy of such amended fee schedule at least sixty (60) days prior to the date that the new fees are to become effective.

ARTICLE II  
DEFINITIONS

Section 2.01 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

“Bank” means The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and existing under the laws of the United States of America.

“Certificate” or “Certificates” means any one or all of the Hidalgo County, Texas Certificates of Obligation, Series 2023.

“Financial Advisor” means Estrada Hinojosa & Company, Inc. and its successors.

“Issuer” means the County of Hidalgo, Texas.

“Order” means the order of the Issuer approved on September 26, 2023 pursuant to which the Certificates are issued.

“Paying Agent” means the Bank when it is performing the function of paying agent.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government of any entity whatsoever.

“Registrar” means the Bank when it is performing the function of registrar.

All other capitalized terms shall have the meanings assigned in the Order.

ARTICLE III  
DUTIES OF THE BANK

Section 3.01 Initial Delivery of Certificates.

The Certificates will be initially registered and delivered to the purchaser designated by the Issuer as set forth in the Order. If such purchaser delivers a written request to the Bank not later than two (2) business days prior to the date of initial delivery, the Bank will, on the date of initial delivery, exchange the Certificates initially delivered for Certificates of authorized denominations, registered in accordance with the instructions in such request and the Order.

If the Certificates are to be Depository Trust Company (DTC) eligible, the Bank will comply with all eligibility requirements as outlined and agreed upon in the eligibility questionnaire.

### Section 3.02 Unauthenticated Certificates.

The Issuer shall provide an adequate inventory of unauthenticated Certificates to facilitate transfers. The Bank covenants that it will maintain such unauthenticated Certificates in safekeeping and will use reasonable care in maintaining such Certificates in safekeeping, which shall not be less than the care it maintains for debt securities of other government entities or corporations for which it services as registrar, or which it maintains for its own bonds.

### Section 3.03 Duties of Registrar.

The Bank shall provide for the proper registration of the Certificates and the exchange, replacement and registration of transfer of the Certificates in accordance with the provisions of the Order. The Bank will maintain the books of registration in accordance with transfer agent regulations promulgated by the Securities and Exchange Commission and the applicable provisions of the Uniform Commercial Code. The Bank shall maintain a copy of the books of registration at the Issuer's administrative offices.

### Section 3.04 Reports.

Upon reasonable request by the Issuer (but at least monthly if so requested by the Issuer), the Bank will provide the Issuer reports describing in reasonable detail all transactions pertaining to the Certificates and the books of registration. The Issuer may also inspect and make copies of the information in the books of registration at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the content of the books of registration to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a subpoena, court order or as otherwise required by law. Upon receipt of a subpoena, court order or other lawful request, the Bank will notify the Issuer immediately so that the Issuer may contest the subpoena, court order or other request.

### Section 3.05 Canceled Certificates.

All Certificates surrendered for payment, redemption, transfer, exchange or replacement, if surrendered to the Bank, shall be promptly canceled by it and, if surrendered to the Issuer, shall be delivered to the Bank and, if not already canceled, shall be delivered to the Bank for cancellation. Any Certificates previously authenticated and delivered which the Issuer may have acquired in any manner whatsoever, and all Certificates so delivered shall be promptly canceled by the Bank. All canceled Certificates held by the Bank shall be destroyed and evidence of such destruction shall be furnished to the Issuer.

### Section 3.06 Reliance on Documents, Etc.

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank by the Issuer.

(b) The Bank shall not be liable to the Issuer for actions taken under this Agreement as long as it acts in good faith and exercises due diligence, reasonableness and care, as prescribed by law, with regard to its duties hereunder.

(c) This Agreement is not intended to require the Bank to expend its own funds for performance of any of its duties hereunder.

(d) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys.

(e) The Bank may consult with legal counsel and the written advice of such counsel or any opinion shall be full and complete authorization and protection with respect to any action taken, suffered or omitted by it hereunder in good faith in reliance thereon; provided that any such written advice or opinion is supplied to the Issuer by the Bank.

(f) The Bank may rely and shall be protected by the Issuer against any claim by the Issuer or any other Person in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, certificate, note, security, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Certificate but is protected in acting upon receipt of a Certificate containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the holder or an agent of the holder. The Bank shall not be bound to make any investigation into the acts or manners stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, certificate, note, security, or other paper or document supplied by the Issuer.

#### Section 3.07 Money Held by Bank.

Money held by the Bank hereunder shall be held in trust for the benefit of the Registered Owners of the Certificates. Until paid to the Owners of the Certificates, money held by the Bank hereunder shall be continuously collateralized by 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 fiduciary accounts to the extent such money is not insured by the Federal Deposit Insurance Corporation.

The Bank shall be under no obligation to pay interest on any money received by it hereunder.

All money deposited with the Bank hereunder shall be secured in the manner and to the fullest extent required by law for the security of funds of the Issuer.

Any money deposited with the Bank for the payment of the principal, redemption premium, if any, or interest on any Certificate and remaining unclaimed by the Registered Owner after the expiration of three years from the date such funds have become due and payable shall be reported and disposed of by the Bank in accordance with the provisions of Texas law including, to the extent applicable, Title 6 of the Texas Property Code, as amended. To the extent such provisions of the Texas Property Code do not apply to the fund, such funds shall be paid by the Bank to the Issuer

upon receipt of a written request therefor from the Issuer. The Bank shall have no liability to the Registered Owners of the Certificates by virtue of actions taken in compliance with the foregoing provision.

The Bank shall deposit all moneys received from the Issuer into a trust account to be held in a fiduciary capacity for the payment of the Certificates, with such moneys in the account that exceed the deposit insurance available by the Federal Deposit Insurance Corporation to be fully collateralized with securities or obligations that are eligible under the laws of the State of Texas to secure and be pledged as collateral for trust accounts until the principal and interest on such Certificates have been presented for payment and paid to the Registered Owners.

Section 3.08 Transfer of Funds at Closing.

The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum as prepared by the Issuer's financial advisor, bond counsel or other agent. The Bank may act on a facsimile or e-mail transmission of the closing memorandum acknowledged by the financial advisor or the Issuer as the final closing memorandum. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

Section 3.09 Indemnification.

To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability or expense incurred by the Bank without negligence or bad faith on the Bank's part, arising out of or in connection with its acceptance or administration of the Bank's duties hereunder, including the cost and expense (including the Bank's counsel fees) of defending against any claim or liability in connection with the exercise or performance of any of the Bank's powers or duties under this Agreement.

## ARTICLE IV

### MISCELLANEOUS PROVISIONS

Section 4.01 May Own Certificates.

The Bank, in its individual or any other capacity, may become the owner or pledgee of Certificates with the same rights it would have if it were not the Paying Agent and Registrar for the Certificates.

Section 4.02 Amendment.

This Agreement may be amended only by an agreement in writing signed by both of the parties hereof.

Section 4.03 Assignment.

This Agreement may not be assigned by either party without the prior written consent of the other.

Section 4.04 Notices.

Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown herein, or such other address as may have been given by one party to the other by fifteen (15) days' written notice.

Section 4.05 Effect of Headings.

The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Section 4.06 Successors and Assigns.

All covenants and agreements herein by the Issuer and the Bank shall bind their successors and assigns, whether so expressed or not.

Section 4.07 Severability.

If any provision of this Agreement shall be invalid or unenforceable, the validity and enforceability of the remaining provisions hereof shall not in any way be affected or impaired.

Section 4.08 Benefits of Agreement.

Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy or claim hereunder.

Section 4.09 Order Governs Conflicts.

This Agreement and the Order constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent and Registrar and if any conflict exists between this Agreement and the Order, the Order shall govern.

Section 4.10 Term and Termination.

This Agreement shall be effective from and after its date and may be terminated for any reason by the Issuer or the Bank at any time upon 30 days written notice; provided, however, that no such termination shall be effective until a successor has been appointed and has accepted the duties of the Bank hereunder. In the event of early termination regardless of circumstances, the Bank shall deliver to the Issuer or its designee all funds, Certificates and all books and records pertaining to the Bank's role as Paying Agent and Registrar with respect to the Certificates, including, but not limited to, the books of registration.

Section 4.11 Interpleader.

The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit hereunder, in either the District

Court of Hidalgo County, Texas or the United States Federal District Court for the Southern District of Texas, waive personal service of any process, and agree that service of process by certified or registered mail, return receipt requested, to the address set forth herein shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction within the State of Texas, at the expense of the Issuer, to determine the rights of any person claiming any interest hereunder.

Section 4.12 Merger, Conversion, Consolidation or Succession.

Any corporation into which the Bank may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Bank shall ipso facto be the successor of the Bank hereunder without the execution or filing of any paper or any further act on the part of either of the parties hereto. In case any Certificate shall have been registered, but not delivered, by the Bank then in office, any successor by merger, conversion, or consolidation to such authenticating Bank may adopt such registration and deliver the Certificates so registered with the same effect as if such successor Bank had itself registered the Certificates.

Section 4.13 Bank Not a Trustee.

This Agreement shall not be construed to require the Bank to enforce any remedy which any Registered Owner may have against the Issuer during any default or event of default under any agreement between any Registered Owner and the Issuer, including the Order or to act as trustee for such Registered Owner.

Section 4.14 Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 4.15 Governing Law.

This Agreement shall be construed in accordance with and shall be governed by the laws of the State of Texas.

Section 4.16 Compliance with Sections 2271.002 and 2252.152, Texas Government Code.

In accordance with Section 2271.002, Texas Government Code, the Bank hereby verifies that the Bank, or any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Bank: (i) does not Boycott Israel (as such term is defined in Section 2271.001, Texas Government Code) and (ii) subject to or as otherwise required by applicable Federal law, including, without limitation, 50 U.S.C. Section 4607, will not Boycott Israel during the term of this Agreement. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action

made for ordinary business purposes. The Bank understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

Pursuant to Section 2252.152, Texas Government Code, neither the Bank nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Bank is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2271.0201, Texas Government Code, and posted on any of the following pages of such officer’s internet website:

<https://comptroller.texas.gov/purchasing/docs/sudanlist.pdf>,

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

<https://comptroller.texas.gov/purchasing/docs/ftolist.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable federal law and excludes the Bank 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 Bank understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

Section 4.17 Contract Value. The value of this Agreement is less than \$100,000 for the purposes of Section 2274.002, Government Code (as added by Senate Bills 13 and 19, 87th Texas Legislature, Regular Session).

*[Signature Page Follows]*

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A.

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

Name: \_\_\_\_\_

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

**EXHIBIT A**  
**FEE SCHEDULE**

