

Form of Standing Verification and Representation Letter

Registered: SEC MSRB

Member: FINRA SIPC



**819 Main Street, Room 304
Parkville, MO 64152**

(800) 279-7200

(816) 221-6700

Representatives of Underwriting Syndicates for Texas Municipal Securities Offerings
c/o Municipal Advisory Council of Texas
600 West 8th Street
Austin, TX 78701

Public Finance Division
Office of the Attorney General of the State of Texas
300 West 15th Street, 7th Floor
Austin, TX 78701

Ladies and Gentlemen:

The undersigned company (the "*Company*") is interested in becoming a member of syndicates formed from time to time to underwrite offerings of securities issued by Texas state agencies and political subdivisions, including boards, commissions, departments, offices, and other agencies in the executive branch of Texas state government (including state institutions of higher education), and municipalities, counties, public school districts, and special-purpose districts and authorities of the State of Texas.

To induce the above described representatives of underwriting syndicates ("*Representatives*") to accept participation by the Company in any such syndicate that they form during the term of this letter, the Company hereby verifies that the Company and its parent company, wholly- and majority-owned subsidiaries, and other affiliates, if any, presently do not, and at the time the Company accepts participation in any such syndicate will not, (a) boycott Israel, (b) boycott energy companies, (c) have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, or (d) unless affirmatively declared by the United States government to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization), appear on a list of scrutinized companies 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>.

Representatives are authorized to make the foregoing verification and representation on behalf of the Company in any bid for or contract to buy securities for which any such syndicate in which the Company participates is formed, in favor of the issuer of such securities, and to verify therein that neither the Company nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, will boycott Israel, boycott energy companies, or discriminate against a firearm entity or firearm trade association during the term of any such contract, but solely (a) to enable the issuer to comply with Sections 2252.152, 2252.908, 2271.002, 2274.002, and 2276.002, Texas Government Code, (b) to the extent such Sections do not contravene applicable federal or Texas law, and (c) before this letter has lapsed because the Company has withdrawn or failed to verify the continued effectiveness of this letter

on the website of the Municipal Advisory Council of Texas to which the Company has uploaded this letter and the Company has notified the Representatives and the Public Finance Division of the Attorney General of Texas in writing that this letter is no longer effective. The Attorney General of Texas may rely on the verifications described in the second paragraph of this letter, and the authorization contained in the fourth paragraph of this letter, on the same conditions when approving securities to be purchased pursuant to any such bid or contract.

As used in the foregoing verification and authorization and the following definitions,

(a) "*boycott Israel*," a term defined in Section 2271.001, Texas Government Code, by reference to Section 808.001(1), Texas Government Code, 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;

(b) "*boycott energy companies*," a term defined in Section 2276.001(1), Texas Government Code, by reference to Section 809.001, Texas Government Code, means, 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 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 does business with such a company;

(c) "*discriminate against a firearm entity or firearm trade association*," a term defined in Section 2274.001(3), Texas Government Code, (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;

(d) "*firearm entity*," a term defined in Section 2274.001(6), Texas Government Code, means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as 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 (defined in Section 2274.001(1), Texas Government Code, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting); and

(e) "*firearm trade association*," a term defined in Section 2274.001(7), Texas Government Code, means any 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,

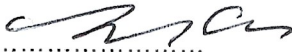
and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

The Company understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Company within the meaning of SEC Rule 405, 17. C.F.R. § 230.405, and exists to make a profit.

The Company represents that the text of this letter conforms to the form of standing representation letter recommended by the Municipal Advisory Council of Texas in its *Updated Recommendations for Compliance with Texas BPA Verification and Representation Requirements*, <https://www.mactexas.com/open/link/download/?source=HB89Page&urlkey=Form-of-Representation-Letter.docx>

Sincerely,

Valdés & Moreno, Inc.

By: 
President