

OFFICIAL STATEMENT DATED NOVEMBER 2, 2021

NEW ISSUES – Book-Entry-Only

RATINGS: S&P: “AAA”; Fitch: “AAA”
(See “RATINGS” herein)

Interest on the Bonds is not excludable from gross income for federal income tax purposes under existing law. See “TAX MATTERS” herein.



TEXAS PUBLIC FINANCE AUTHORITY

\$249,800,000
State of Texas

General Obligation and Refunding Bonds,
Taxable Series 2021A

\$582,315,000
State of Texas

General Obligation and Refunding Bonds,
Taxable Series 2021B

Dated Date and Interest Accrual Date: Date of Delivery

Due: October 1, as shown on pages ii and iii

The Texas Public Finance Authority State of Texas General Obligation and Refunding Bonds, Taxable Series 2021A (the “Taxable Series 2021A Bonds”) and the Texas Public Finance Authority State of Texas General Obligation and Refunding Bonds, Taxable Series 2021B (the “Taxable Series 2021B Bonds”) and together with the Taxable Series 2021A Bonds, the “Bonds”) are general obligations of the State of Texas (the “State”) being issued by the Texas Public Finance Authority (the “Authority”) under the authority of the Constitution and general laws of the State, including, with respect to the Taxable Series 2021A Bonds, Article III, Sections 49-h, 49-l, 50-f and 50-g of the Texas Constitution and, with respect to the Taxable Series 2021B Bonds, Article III, Section 67 of the State Constitution (collectively, the “Constitutional Provision”); Chapter 1232, Texas Government Code, as amended (the “Texas Public Finance Authority Act”); Chapters 1207, 1371, 1401 and 1403, Texas Government Code, as amended, and Chapter 102, Texas Health and Safety Code, as amended (the Constitutional Provision, the Texas Public Finance Authority Act and any rules promulgated by the Authority thereunder, and the other statutes cited above together constituting the “Authorizing Law”), and pursuant to the Bond Resolution (as defined herein).

Proceeds of the Taxable Series 2021A Bonds will be used (i) for maintenance, improvement, repair or construction projects for the Parks and Wildlife Department and Department of Public Safety, (ii) to refund certain outstanding general obligation commercial paper notes of the State issued by the Authority, as further identified on Schedule I attached hereto, (iii) to refund certain outstanding bonds of the State issued by the Authority, as further identified on Schedule II attached hereto, in order to provide debt service savings, and (iv) to pay the costs of issuing the Taxable Series 2021A Bonds. See “PLAN OF FINANCE” herein.

Proceeds of the Taxable Series 2021B Bonds will be used (i) by the Cancer Prevention and Research Institute of Texas (“CPRIT”) to make grants for cancer research and prevention and pay for the operation of CPRIT, as authorized by the Constitutional Provision, (ii) to refund certain outstanding general obligation commercial paper notes of the State issued by the Authority for CPRIT, as further identified on Schedule I attached hereto, (iii) to refund certain outstanding bonds of the State issued by the Authority, as further identified on Schedule II attached hereto, in order to provide debt service savings, and (iv) to pay the costs of issuing the Taxable Series 2021B Bonds. See “PLAN OF FINANCE” herein.

Interest on the Bonds will accrue from the Date of Delivery (defined below), will be payable on April 1, 2022, and on each October 1 and April 1 thereafter until maturity or prior redemption, as applicable, and will be calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued in principal denominations of \$5,000 or any integral multiple thereof within a maturity. The Bonds are initially issuable only to Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”) pursuant to the book-entry-only system described herein. Beneficial ownership of the Bonds may be acquired in denominations of \$5,000 or integral multiples thereof within a maturity. No physical delivery of the Bonds will be made to the initial purchasers named below (the “Underwriters”) or the beneficial owners of the Bonds. Interest on and principal of the Bonds will be payable by the Authority (which will act as the initial Paying Agent/Registrar) to Cede & Co., which will make distribution of the amounts so paid to the beneficial owners of the Bonds. See “APPENDIX C — Book-Entry-Only System.” The Bonds are subject to redemption prior to maturity as set forth in the section “DESCRIPTION OF THE BONDS — Redemption.”

The Bonds are general obligations of, and are secured by the full faith and credit of, the State. See “DESCRIPTION OF THE BONDS — Source of Payment” herein. For general information regarding the State, including information concerning outstanding general obligation debt of the State, see “GENERAL INFORMATION REGARDING THE STATE OF TEXAS” and “APPENDIX A — The State of Texas” hereto.

Maturity Schedule, Interest Rates, Initial Yields and CUSIP Numbers
(See pages ii and iii)

The Bonds are offered for delivery when, as and if issued and received by the Underwriters, subject to approval of legality by the Attorney General of the State and the approving opinions of Norton Rose Fulbright US LLP, Dallas, Texas, Bond Counsel. Certain legal matters will be passed upon for the Authority by its Disclosure Counsel, Escamilla & Poneck, LLP, San Antonio, Texas. Certain legal matters will be passed upon for the Underwriters by their co-counsel, Bracewell LLP, Houston, Texas and Hardwick Law Firm, LLC, Austin, Texas. See “LEGAL MATTERS.” The Bonds are expected to be available for initial delivery through the facilities of DTC on or about November 18, 2021 (the “Date of Delivery”).

Raymond James

Blaylock Van, LLC

Jefferies

Piper Sandler & Co.

Ramirez & Co., Inc.

SAMCO Capital

MATURITY SCHEDULE

\$249,800,000

**TEXAS PUBLIC FINANCE AUTHORITY
STATE OF TEXAS
GENERAL OBLIGATION AND REFUNDING BONDS,
TAXABLE SERIES 2021A**

Maturity (October 1)	Principal Amount	Interest Rate	Initial Yield⁽¹⁾	CUSIP No.⁽²⁾
2022	\$32,545,000	0.308%	0.308%	882724WP8
2023	14,665,000	0.508%	0.508%	882724WQ6
2024	7,720,000	0.794%	0.794%	882724WR4
2025	22,120,000	5.000%	1.116%	882724WS2
2026	22,105,000	5.000%	1.296%	882724WT0
2027	22,095,000	5.000%	1.517%	882724WU7
2028	22,080,000	5.000%	1.667%	882724WV5
2029	22,040,000	4.000%	1.744%	882724WW3
2030	21,780,000	1.844%	1.844%	882724WX1
2031	20,095,000	1.944%	1.944%	882724WY9
2032	12,815,000	2.044%	2.044%	882724WZ6
2033	8,650,000	2.144%	2.144%	882724XA0
2034	3,515,000	2.244%	2.244%	882724XB8
2035	3,515,000	2.344%	2.344%	882724XC6
2036	3,515,000	2.444%	2.444%	882724XD4
2037	3,515,000	2.544%	2.544%	882724XE2
2038	3,515,000	2.624%	2.624%	882724XF9
2039	3,515,000	2.674%	2.674%	882724XG7

(Interest accrues from the Date of Delivery)

OPTIONAL REDEMPTION...The Taxable Series 2021A Bonds maturing on and after October 1, 2032, are subject to redemption prior to maturity at the option of the Authority, in whole or in part, from time to time, in principal amounts of \$5,000 or any integral multiple thereof, in such manner as the Authority may select, on October 1, 2031, or on any date thereafter, at a redemption price equal to par plus accrued interest from the most recent interest payment date to the date fixed for redemption. See "DESCRIPTION OF THE BONDS – Redemption."

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- ⁽¹⁾ Yields shown are calculated to the earlier of stated maturity or first available redemption date at par plus accrued interest.
- ⁽²⁾ CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. None of the Authority, the Financial Advisor, or the Underwriters shall be responsible for the selection or the correctness of the CUSIP numbers shown herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Taxable Series 2021A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Taxable Series 2021A Bonds.

MATURITY SCHEDULE

\$582,315,000
TEXAS PUBLIC FINANCE AUTHORITY
STATE OF TEXAS
GENERAL OBLIGATION AND REFUNDING BONDS,
TAXABLE SERIES 2021B

Maturity (October 1)	Principal Amount	Interest Rate	Initial Yield⁽¹⁾	CUSIP No.⁽²⁾
2022	\$23,720,000	0.308%	0.308%	882724XH5
2023	23,720,000	0.508%	0.508%	882724XJ1
2024	23,720,000	0.794%	0.794%	882724XK8
2025	35,875,000	5.000%	1.116%	882724XL6
2026	36,070,000	5.000%	1.296%	882724XM4
2027	36,255,000	5.000%	1.517%	882724XN2
2028	36,435,000	5.000%	1.667%	882724XP7
2029	36,485,000	3.000%	1.744%	882724XQ5
2030	36,325,000	1.844%	1.844%	882724XR3
2031	36,070,000	1.944%	1.944%	882724XS1
2032	35,825,000	2.044%	2.044%	882724XT9
2033	32,130,000	2.144%	2.144%	882724XU6
2034	23,715,000	2.244%	2.244%	882724XV4
2035	23,710,000	2.344%	2.344%	882724XW2
2036	23,710,000	2.444%	2.444%	882724XX0
2037	23,710,000	2.544%	2.544%	882724XY8
2038	23,710,000	2.624%	2.624%	882724XZ5
2039	23,710,000	2.674%	2.674%	882724YA9
2040	23,710,000	2.714%	2.714%	882724YB7
2041	23,710,000	2.754%	2.754%	882724YC5

(Interest accrues from Date of Delivery)

OPTIONAL REDEMPTION....The Taxable Series 2021B Bonds maturing on and after October 1, 2032, are subject to redemption prior to maturity at the option of the Authority, in whole or in part, from time to time, in principal amounts of \$5,000 or any integral multiple thereof, in such manner as the Authority may select, on October 1, 2031, or on any date thereafter, at a redemption price equal to par plus accrued interest from the most recent interest payment date to the date fixed for redemption. See "DESCRIPTION OF THE BONDS – Redemption."

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- (1) Yields shown are calculated to the earlier of stated maturity or first available redemption date at par plus accrued interest.
- (2) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. None of the Authority, the Financial Advisor, or the Underwriters shall be responsible for the selection or the correctness of the CUSIP numbers shown herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Taxable Series 2021B Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Taxable Series 2021B Bonds.

STATE OF TEXAS

Greg Abbott
Governor

Dan Patrick
Lieutenant Governor

Ken Paxton
Attorney General

Glenn Hegar
Comptroller of Public Accounts

TEXAS PUBLIC FINANCE AUTHORITY

BOARD OF DIRECTORS

- Billy M. Atkinson, Jr. – Chair
- Ramon Manning – Vice-Chair
- Jay A. Riskind – Secretary
- Larry G. Holt – Member
- Shanda G. Perkins – Member
- Brendan Scher – Member
- Benjamin E. Streusand – Member

CERTAIN OFFICERS

- Lee Deviney, Executive Director
- John Hernandez, Deputy Director
- Pamela Scivicque, Director, Business Administration
- Kevin Van Oort, General Counsel

CONSULTANTS AND ADVISORS

- Financial AdvisorRBC Capital Markets, LLC
- Bond Counsel.....Norton Rose Fulbright US LLP
- Disclosure CounselEscamilla & Poneck, LLP

FOR ADDITIONAL INFORMATION REGARDING THE AUTHORITY, PLEASE CONTACT:

<p>Lee Deviney Executive Director 300 W. 15th Street, Suite 411 Austin, Texas 78701 (512) 463-5544</p>	or	<p>Chris W. Allen RBC Capital Markets, LLC 609 Main Street, Suite 3600 Houston, Texas 77002 (713) 651-3338</p>
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SALE AND DISTRIBUTION OF THE BONDS

This Official Statement, which includes the cover page, schedules and the appendices attached hereto, does not constitute an offer to sell or the solicitation of an offer to buy in any jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale.

Use of Official Statement

No dealer, broker, salesman or other person has been authorized by the Authority or the Underwriters to give any information or to make any representation other than those contained in this Official Statement, and, if given or made, such other information or representation must not be relied upon as having been authorized by the Authority or the Underwriters. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement, nor any sale made hereunder, shall, under any circumstances, create the implication that there has been no change in the affairs of the Authority or the State of Texas since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds and in no instance may this Official Statement be reproduced or used for any other purpose.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement pursuant to their respective responsibilities to investors under the federal securities laws, but the Underwriters do not guarantee the accuracy or completeness of such information.

THIS OFFICIAL STATEMENT IS INTENDED TO REFLECT FACTS AND CIRCUMSTANCES ON THE DATE OF THIS OFFICIAL STATEMENT OR ON SUCH OTHER DATE OR AT SUCH OTHER TIME AS IDENTIFIED HEREIN. NO ASSURANCE CAN BE GIVEN THAT SUCH INFORMATION MAY NOT BE MISLEADING AT A LATER DATE. CONSEQUENTLY, RELIANCE ON THIS OFFICIAL STATEMENT AT TIMES SUBSEQUENT TO THE ISSUANCE OF THE BONDS DESCRIBED HEREIN SHOULD NOT BE MADE ON THE ASSUMPTION THAT ANY SUCH FACTS OR CIRCUMSTANCES ARE UNCHANGED.

NONE OF THE AUTHORITY, ITS FINANCIAL ADVISOR OR THE UNDERWRITERS MAKES ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT REGARDING THE DEPOSITORY TRUST COMPANY ("DTC") OR ITS BOOK-ENTRY-ONLY SYSTEM, AS SUCH INFORMATION HAS BEEN FURNISHED BY DTC.

Marketability

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

Securities Laws

No registration statement relating to the Bonds has been filed with the SEC under the Securities Act of 1933, as amended, in reliance upon an exemption provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein, nor have the Bonds been registered or qualified under the securities laws of any other jurisdiction. The Authority assumes no responsibility for registration or qualification for sale or other disposition of the Bonds under the securities laws of any jurisdiction in which the Bonds may be offered, sold or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions.

NEITHER THE SEC NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THIS OFFICIAL STATEMENT CONTAINS "FORWARD-LOOKING" STATEMENTS WITHIN THE MEANING OF SECTION 21e OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. SUCH STATEMENTS MAY INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE THE ACTUAL

RESULTS, PERFORMANCE AND ACHIEVEMENTS TO BE DIFFERENT FROM THE FUTURE RESULTS, PERFORMANCE AND ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INVESTORS ARE CAUTIONED THAT THE ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE SET FORTH IN THE FORWARD-LOOKING STATEMENTS. SEE "LEGAL MATTERS – Forward-Looking Statements" HEREIN.

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SUMMARY STATEMENT

This Summary Statement is subject in all respects to the more complete information contained in this Official Statement. The offering of the Bonds to potential investors is made only by means of this entire Official Statement, including the Schedules and Appendices hereto. No one is authorized to detach this Summary Statement from this Official Statement or to otherwise use it without this entire Official Statement (including the Schedules and Appendices). Certain defined terms used in this Summary Statement are defined elsewhere in this Official Statement.

- ISSUER** Texas Public Finance Authority.
- OFFERING**..... Texas Public Finance Authority State of Texas General Obligation and Refunding Bonds, Taxable Series 2021A (the "Taxable Series 2021A Bonds"), in the aggregate principal amount of \$249,800,000 and Texas Public Finance Authority State of Texas General Obligation and Refunding Bonds, Taxable Series 2021B (the "Taxable Series 2021B Bonds" and together with the Taxable Series 2021A Bonds, the "Bonds"), in the aggregate principal amount of \$582,315,000.
- MATURITY**..... The Bonds mature annually on October 1 of each of the years and in the principal amounts set forth on pages ii and iii of this Official Statement. See "DESCRIPTION OF THE BONDS – Redemption."
- INTEREST**..... Interest on the Bonds will accrue from the Date of Delivery and will be payable on April 1 and October 1 of each year, commencing April 1, 2022, until maturity or prior redemption. See "DESCRIPTION OF THE BONDS."
- REDEMPTION**..... The Bonds maturing on and after October 1, 2032, are subject to redemption at the option of the Authority, in whole or in part, from time to time, in principal amounts of \$5,000 or any integral multiple thereof, in such manner as the Authority may select, on October 1, 2031, or on any date thereafter, at a redemption price equal to par plus accrued interest from the most recent interest payment date to the date fixed for redemption. See "DESCRIPTION OF THE BONDS – Redemption."
- BOOK-ENTRY-ONLY SYSTEM.** The Bonds are initially issuable only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC"), pursuant to a book-entry-only system (as described herein). No physical delivery of the Bonds will be made to the beneficial owners of the Bonds. Interest on and principal of the Bonds will be paid to Cede & Co., which will distribute the payments to the participating members of DTC for remittance to the beneficial owners of the Bonds. See "APPENDIX C – Book-Entry-Only System."
- PURPOSE**..... Proceeds of the Taxable Series 2021A Bonds will be used (i) for maintenance, improvement, repair or construction projects for the Parks and Wildlife Department and Department of Public Safety, (ii) to refund certain outstanding general obligation commercial paper notes of the State of Texas (the "State") issued by the Authority, as further identified on Schedule I attached hereto, (iii) to refund certain outstanding bonds of the State issued by the Authority, as further identified on Schedule II attached hereto, in order to provide debt service savings, and (iv) to pay the costs of issuing the Taxable Series 2021A Bonds. See "PLAN OF FINANCE" herein.

Proceeds of the Taxable Series 2021B Bonds will be used (i) by the Cancer Prevention and Research Institute of Texas ("CPRIT") to make grants for cancer research and prevention and pay for the operation of CPRIT, as authorized by the Constitutional Provision, (ii) to refund certain outstanding general obligation commercial paper notes of the State issued by the Authority for CPRIT, as further identified on Schedule I attached hereto, (iii) to refund certain outstanding bonds of the State issued by the Authority, as further identified on Schedule II attached hereto, in order to provide debt service savings, and (iv) to pay the costs of issuing the Taxable Series 2021B Bonds. See "PLAN OF FINANCE" herein.

SOURCE OF PAYMENT..... The Bonds are general obligations of, and are secured by the full faith and credit of, the State, issued under the applicable Authorizing Law and the Bond Resolution. See "DESCRIPTION OF THE BONDS – Source of Payment."

RATINGS..... S&P Global Ratings, a division of S&P Global Inc. and Fitch Ratings, Inc., have assigned ratings of "AAA" and "AAA," respectively, to the Bonds. See "RATINGS."

LEGALITY..... The issuance of the Bonds is subject to the approval of the Attorney General of the State and the opinions of Norton Rose Fulbright US LLP, Dallas, Texas, Bond Counsel, as to the validity of the issuance of the Bonds under the Constitution and laws of the State. See "LEGAL MATTERS."

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OFFICIAL STATEMENT

relating to

TEXAS PUBLIC FINANCE AUTHORITY

\$249,800,000
State of Texas
General Obligation and Refunding Bonds,
Taxable Series 2021A

\$582,315,000
State of Texas
General Obligation and Refunding Bonds,
Taxable Series 2021B

INTRODUCTION

General

This Official Statement, including the cover page, schedules and the appendices hereto, provide certain information regarding the issuance by the Texas Public Finance Authority (the "Authority" or "Issuer") of its \$249,800,000 "Texas Public Finance Authority State of Texas General Obligation and Refunding Bonds, Taxable Series 2021A" (the "Taxable Series 2021A Bonds") and \$582,315,000 "Texas Public Finance Authority State of Texas General Obligation and Refunding Bonds, Taxable Series 2021B" (the "Taxable Series 2021B Bonds" and together with the Taxable Series 2021A Bonds, the "Bonds"). Capitalized terms used in this Official Statement and not otherwise defined herein shall have the meaning assigned in the Bond Resolution (defined below).

The summaries of documents contained herein do not purport to be complete and are qualified in their entirety by reference to the respective documents. Copies of documents relating to the Authority may be obtained from the Executive Director, Texas Public Finance Authority, 300 W. 15th Street, Suite 411, Austin, Texas 78701, (512) 463-5544.

This Official Statement speaks only as of its date, except the Bond Appendix (defined below), the State of Texas Comprehensive Annual Financial Report for the fiscal year ended August 31, 2020 and any notice incorporated as described under "Appendix A – The State of Texas" which speaks as of the date of their issuance. The information contained herein is subject to change. A copy of this Official Statement and the Escrow Agreement (defined herein) will be submitted to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access ("EMMA") system. See "CONTINUING DISCLOSURE OF INFORMATION" for a description of the Authority's and the Comptroller's respective undertakings to provide certain information on a continuing basis.

For information regarding the impact of the Pandemic (defined herein) on the State, and other actions taken by the State in connection with the Pandemic, see "GENERAL INFORMATION REGARDING THE STATE OF TEXAS – Infectious Disease Outbreak – COVID-19" herein and "INFECTIOUS DISEASE OUTBREAK – COVID-19" in the August 2021 Bond Appendix, as may be supplemented, referenced in "APPENDIX A – The State," and incorporated herein by reference.

Security

The Bonds are general obligations of the State, secured by the full faith and credit of the State and issued pursuant to the Authorizing Law (as defined below), including the Constitutional Provision which provides that, while any of the Bonds or interest on the Bonds is outstanding and unpaid, from the first money coming into the State treasury in each fiscal year not otherwise appropriated by the State Constitution, an amount sufficient to pay the principal of and interest on the Bonds that mature or become due during the fiscal year and to make payments that become due under any Bond Enhancement Agreements (hereinafter defined) during the fiscal year is appropriated, less the amount in the applicable Interest and Sinking Fund at the close of the previous fiscal year. The funds that become available for payment of the Bonds pursuant to the Constitutional Provision are the sole security for the payment of the Bonds.

The Authority has reserved the right to enter into Bond Enhancement Agreements from time to time, subsequent to the issuance of the Bonds. However, the Authority does not currently expect to enter into any Bond Enhancement Agreements in connection with the issuance of the Bonds. See "DESCRIPTION OF THE TRANSACTION DOCUMENTS – The Bond Resolution."

PLAN OF FINANCE

Authority for Issuance

The Bonds are being issued in accordance with the Constitution and general laws of the State, including, with respect to the Taxable Series 2021A Bonds, Article III, Sections 49-h, 49-l, 50-f and 50-g of the State Constitution and, with respect to the Taxable Series 2021B Bonds, Article III, Section 67 of the State Constitution (collectively, the "Constitutional Provision"); Chapter 1232, Texas Government Code, as amended (the "Texas Public Finance Authority Act"); Chapters 1207, 1371, 1401 and 1403, Texas Government Code, as amended, and Chapter 102, Texas Health and Safety Code, as amended (the Constitutional Provision, the Texas Public Finance Authority Act and any rules promulgated by the Authority thereunder, and the other statutes cited above together constituting the "Authorizing Law"), and additionally pursuant to the bond resolution (the "Resolution") adopted by the Board of Directors of the Authority (the "Board") on October 7, 2021. As permitted by Chapters 1207 and 1371, Texas Government Code, as amended, the Board, in the Resolution, delegated to certain designated officials (the "Pricing Committee") the authority to establish and approve the final terms of sale of the Bonds through the execution of one or more pricing certificates (collectively, the "Pricing Certificate"), which Pricing Certificate was finalized and executed in connection with the sale of the Bonds (the Resolution and the Pricing Certificate are jointly referred to herein as the "Bond Resolution"). Additionally, on July 22, 2021, the Texas Bond Review Board (the "Bond Review Board") approved the issuance of general obligation commercial paper notes of the State issued by the Authority for the Cancer Prevention and Research Institute of Texas ("CPRIT") in a maximum aggregate amount of \$300,000,000 during fiscal year 2022 (the "CP Authorization"). Upon the issuance of the Taxable Series 2021A Bonds, the Authority will have issued sufficient debt to fund all currently existing legislative appropriations of the debt issuance authorized by Article III, Section 50-g, of the State Constitution.

Purpose

Proceeds of the Taxable Series 2021A Bonds will be used (i) for maintenance, improvement, repair or constructions projects for the Parks and Wildlife Department and Department of Public Safety, (ii) to refund certain outstanding general obligation commercial paper notes of the State issued by the Authority, as further identified on Schedule I attached hereto (the "Taxable Series 2021A Refunded Notes"), (iii) to refund certain outstanding bonds of the State issued by the Authority, as further identified on Schedule II attached hereto (the "Taxable Series 2021A Refunded Bonds"), in order to provide debt service savings, and (iv) to pay the costs of issuing the Taxable Series 2021A Bonds.

Proceeds of the Taxable Series 2021B Bonds will be used (i) by CPRIT to make grants for cancer research and prevention and pay for the operation of CPRIT, as authorized by the Constitutional Provision, (ii) to refund certain outstanding general obligation commercial paper notes of the State issued by the Authority for CPRIT, as further identified on Schedule I attached hereto (the "Taxable Series 2021B Refunded Notes"), (iii) to refund certain outstanding bonds of the State issued by the Authority, as further identified on Schedule II attached hereto (the "Taxable Series 2021B Refunded Bonds"), in order to provide debt service savings, and (iv) to pay the costs of issuing the Bonds.

Payment of Refunded Notes

The principal of and interest due on the Taxable Series 2021A Refunded Notes and the Taxable Series 2021B Refunded Notes (collectively, the "Refunded Notes") are to be paid on the maturity dates of such Refunded Notes from funds to be deposited with the Texas Treasury Safekeeping Trust Company (the "Escrow Agent") in accordance with one or more escrow agreements or letters of instruction concerning the Refunded Obligations (as defined below) (collectively, the "Escrow Agreement") between the Authority and the Escrow Agent. A portion of the proceeds of the sale of the Bonds, together with other lawfully available funds of the Authority, will be deposited with the Escrow Agent in an amount necessary to accomplish the discharge, defeasance and final payment of the Refunded Notes. Such funds will be held by the Escrow Agent in one or more separate escrow accounts for the Refunded Notes (collectively, the "Refunded Notes Escrow Fund") and used to pay the Refunded Notes at maturity. Under the Escrow Agreement, the Refunded Notes Escrow Fund is irrevocably pledged to the payment of the principal of and interest on the Refunded Notes. All of the Refunded Notes will be paid on their respective maturity dates, as further identified on Schedule I attached hereto.

By the deposit of cash with the Escrow Agent pursuant to the Escrow Agreement, the Authority will have entered into firm banking and financial arrangements for the discharge, defeasance and final payment of the Refunded Notes in accordance with applicable law and the terms of the resolutions authorizing their issuance. Bond Counsel will render an opinion to the effect that, in reliance upon one or more reports of Robert Thomas CPA, LLC (the "Verification Agent") described below, and as a result of such firm banking and financial arrangements, such Refunded Notes will be deemed to be no longer outstanding except for the purpose of receiving the funds provided therefor by, and are secured solely by and payable solely from, the Refunded Notes Escrow Fund pursuant to the Escrow Agreement and the Authority will have no further responsibility with respect to amounts available in the Refunded Notes Escrow Fund.

The accuracy of the mathematical computations of the adequacy of the uninvested funds to provide for the payment of the Refunded Notes will be verified by the Verification Agent. See "LEGAL MATTERS – Verification of Mathematical Computations" herein. Money on deposit in the Refunded Notes Escrow Fund held by the Escrow Agent will not be available to pay debt service on the Bonds.

Payment of Refunded Bonds

The principal of and interest due on the Taxable Series 2021A Refunded Bonds and the Taxable Series 2021B Refunded Bonds (collectively, the "Refunded Bonds" and, together with the Refunded Notes, the "Refunded Obligations") are to be paid on the scheduled Interest Payment Dates and redemption date of such Refunded Bonds from funds to be deposited in one or more separate special escrow accounts for the Refunded Bonds (collectively, the "Refunded Bonds Escrow Fund") held with the Escrow Agent in accordance with the Escrow Agreement. A portion of the proceeds of the sale of the Bonds, together with other lawfully available funds of the Authority, if any, will be deposited with the Escrow Agent and invested in Government Obligations (the "Escrowed Securities"). The Escrowed Securities will be sufficient together with uninvested funds to pay, when due, the principal of and interest on the Refunded Bonds on their redemption date. See "SCHEDULE II – Schedule of Refunded Bonds" for additional information concerning the Refunded Bonds.

The accuracy of the mathematical computations of the adequacy of the maturing principal of and interest on the Escrowed Securities, together with the uninvested funds, to provide for the payment of the Refunded Bonds will be verified by the Verification Agent. See "LEGAL MATTERS – Verification of Mathematical Computations" herein. Money and Escrowed Securities on deposit in the Refunded Bonds Escrow Fund held by the Escrow Agent will not be available to pay debt service on the Bonds.

By the deposit of cash and Escrowed Securities with the Escrow Agent pursuant to the Escrow Agreement, the Authority will have entered into firm banking and financial arrangements for the discharge, defeasance and final payment of the Refunded Bonds in accordance with applicable law and the terms of the resolutions authorizing their issuance. Bond Counsel will render an opinion to the effect that, in reliance upon the report of the Verification Agent and as a result of such firm banking and financial arrangements, such Refunded Bonds will be deemed to be no longer outstanding except for the purpose of receiving the funds provided in escrow therefor.

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Sources and Uses of Funds

The proceeds from the sale of the Taxable Series 2021A Bonds, together with other lawfully available funds of the Authority, will be applied as follows:

Sources of Funds	
Principal Amount of the Bonds	\$249,800,000.00
Premium	19,799,490.95
Authority Contribution	1,483,210.32
Total	<u><u>\$271,082,701.27</u></u>
Uses of Funds	
Deposit to Project Fund	\$6,910,000.00
Deposit to Escrow Fund	263,332,411.62
Costs of Issuance ⁽¹⁾	840,289.65
Total	<u><u>\$271,082,701.27</u></u>

⁽¹⁾ Includes Underwriters' Discount and rounding amount.

The proceeds from the sale of the Taxable Series 2021B Bonds, together with other lawfully available funds of the Authority, will be applied as follows:

Sources of Funds	
Principal Amount of the Bonds	\$582,315,000.00
Premium	29,816,724.05
Authority Contribution	1,943,850.44
Total	<u><u>\$614,075,574.49</u></u>
Uses of Funds	
Deposit to Project Fund	\$144,800,000.00
Deposit to Escrow Fund	467,137,310.20
Costs of Issuance ⁽¹⁾	2,138,264.29
Total	<u><u>\$614,075,574.49</u></u>

⁽¹⁾ Includes Underwriters' Discount and rounding amount.

DESCRIPTION OF THE BONDS

General

The Bonds are dated the Date of Delivery, and mature on October 1 in each of the years and in the amounts and will bear interest at the per annum rates shown on pages ii and iii hereof. Interest on the Bonds will accrue from the Date of Delivery, will be payable on April 1 and October 1 of each year, commencing April 1, 2022, until maturity or prior redemption, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Bonds will be issued only as fully registered bonds, without coupons, in any integral multiple of \$5,000 principal amount within a maturity.

If the specified date for any payment on the Bonds is a Saturday, Sunday, or legal holiday or equivalent (other than a moratorium) for banking institutions in the City of New York, New York or in the City of Austin, Texas, the designated payment office for the Paying Agent/Registrar for the Bonds (the "Designated Payment Office"), such payment may be made on the next succeeding day that is not one of the foregoing days without additional interest and with the same force and effect as if made on the specified date for such payment.

Source of Payment

The Bonds are general obligations of the State, secured by the full faith and credit of the State and issued pursuant to the Authorizing Law, including the Constitutional Provision which provides that, while any of the Bonds or interest on the Bonds is outstanding and unpaid, from the first money coming into the State treasury in each fiscal year not otherwise appropriated by the State Constitution, an amount sufficient to pay the principal of and interest on the Bonds that mature or become due during the fiscal year and to make payments that become due under any Bond Enhancement Agreements during the fiscal year is appropriated, less the amount in the Interest and Sinking Fund at the close of the previous fiscal year. The funds that become available for payment of the Bonds pursuant to the Constitutional Provision are the sole security for the payment of the Bonds.

The Authority has reserved the right to enter into Bond Enhancement Agreements (hereinafter defined), from time to time, subsequent to the issuance of the Bonds. However, the Authority does not currently expect to enter into any Bond Enhancement Agreements in connection with the issuance of the Bonds. See "DESCRIPTION OF THE TRANSACTION DOCUMENTS – The Bond Resolution."

Flow of Funds

Under the terms of the Bond Resolution, the Authority will create or confirm the following funds for each series of the Bonds: (i) the Interest and Sinking Fund, (ii) one or more Project Funds, and (iii) the Costs of Issuance Fund. The Escrow Fund will be created by the Escrow Agent pursuant to the Escrow Agreement.

Pursuant to the Bond Resolution, the Authority will deposit or cause to be deposited into the applicable Interest and Sinking Fund an amount that is sufficient (together with any other funds on deposit therein) to provide for the timely payment of the Bond Obligations, from funds that are available for such purpose under the Constitutional Provision, not later than the second (2nd) Business Day preceding each date on which any such Bond Obligations come due. The Authority may make any such deposit on an earlier date so long as such date is not earlier than the 50th day before the date that the Bond Obligations for which such deposit is made comes due. If, on any date that funds in the applicable Interest and Sinking Fund are required (pursuant to the Bond Resolution) to be withdrawn for the payment of Bond Obligations, such Interest and Sinking Fund does not contain sufficient funds for such purpose, an amount of immediately available funds sufficient (together with the funds then on deposit in such Interest and Sinking Fund) to pay such Bond Obligations will be transmitted to the appropriate payee(s) for such purpose from funds made available under the Constitutional Provision, at such time as will cause such Bond Obligations to be timely paid.

The costs of issuance for the Bonds will be paid from the applicable Costs of Issuance Fund. Any money on deposit in a Costs of Issuance Fund after all Costs of Issuance have been paid will be deposited into the applicable Interest and Sinking Fund.

Money held in the Funds pursuant to the Bond Resolution may be invested and reinvested by the Comptroller in Eligible Investments.

All money required to be deposited into the Escrow Fund will be, on the Date of Delivery of the Bonds, immediately paid to the Escrow Agent for the account of the Authority pursuant to the Escrow Agreement. The Authority anticipates that the money or Escrowed Securities (as defined in the Escrow Agreement) initially deposited into the Escrow Fund will be sufficient to pay the principal of and interest on the respective Refunded Obligations on the redemption dates therefor.

Defaults and Remedies

If the Authority defaults in the payment of the principal of or interest on the Bonds or the redemption price on the Bonds when due, or if it fails to make payments into any Fund or Funds created in the Bond Resolution, or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Bond Resolution, the Bond Owners may seek a writ of mandamus to compel Authority officials to carry out their legally imposed duties with respect to the Bonds, if there is no other available remedy at law to compel performance of the Bonds or Bond Resolution and the Authority's obligations are not uncertain or disputed. The issuance of a writ of mandamus is controlled by equitable principles and such remedy rests with the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of

mandamus may have to be relied upon from time to time. The Bond Resolution does not provide for the appointment of a trustee to represent the interest of the Bond Owners upon any failure of the Authority to perform in accordance with the terms of the Bond Resolution or upon any other condition; accordingly, all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the Bond Owners. The opinions of Bond Counsel will note that the rights of the Bond Owners are subject to applicable provisions of bankruptcy, reorganization and other similar matters affecting the rights of creditors generally, and may be limited by general principles of equity that permit the exercise of judicial discretion.

Transfer, Exchange, and Registration

Upon surrender for transfer of any Bond at the Designated Payment Office, the Authority will execute, and the Paying Agent/Registrar (initially the Authority) will authenticate and deliver, in the name of the designated transferee, one or more new fully registered Bonds of the same series, same Stated Maturity, of any authorized denominations, and of a like aggregate principal amount. At the option of the Holder, Bonds may be exchanged for other Bonds of the same series, same Stated Maturity, of any authorized denominations, and of like aggregate principal amount, upon surrender of the Bonds to be exchanged at the place of payment for the Bonds. Whenever any Bonds are so surrendered for exchange, the Authority will execute, and the Paying Agent/Registrar will authenticate and deliver the Bonds, which the Holder of Bonds making the exchange is entitled to receive. Every Bond presented or surrendered for transfer or exchange will be duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Authority and the Paying Agent/Registrar duly executed, by the Holder thereof or his attorney duly authorized in writing. No service charge will be made to the Holder for any registration, transfer, or exchange of Bonds, but the Authority or the Paying Agent/Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

Limitation on Transfer

The Paying Agent/Registrar will not be required to transfer or exchange any Bond: (i) between a Record Date and the related Interest Payment Date; (ii) during the 30-day period preceding the maturity date of such Bond; or (iii) which has been selected for redemption in whole or in part.

Record Date for Interest Payment

The regular record date ("Record Date") for determining the party entitled to the receipt of the interest payable on the Bonds on any interest payment date means the fifteenth day of the month immediately preceding each interest payment date.

The interest payable on, and paid or duly provided for on or within ten days after, any interest payment date will be paid to the person in whose name a Bond (or one or more predecessor Bonds evidencing the same debt) is registered at the close of business on the Record Date for such interest. Any such interest not so paid or duly provided for will cease to be payable to the person in whose name such Bond is registered on such Record Date, and will be paid to the person in whose name such Bond (or one or more predecessor Bonds) is registered at the close of business on a special Record Date for the payment of such defaulted interest to be fixed by the Paying Agent/Registrar, notice whereof being given to the Holders of the Bond not less than 15 days prior to the special Record Date.

Redemption

Optional Redemption

The Bonds scheduled to mature on and after October 1, 2032 are subject to redemption prior to maturity at the option of the Authority on October 1, 2031 or on any date thereafter, in whole or in part from time to time, in principal amounts of \$5,000 or any integral multiple thereof (and, if in part within a maturity, the particular Bonds or portion thereof to be redeemed will be selected by the Paying Agent/Registrar by lot) at a redemption price of par plus accrued interest from the most recent interest payment date to the date fixed for redemption.

Notice of Redemption

Notice of any redemption identifying the Bonds to be redeemed in whole or in part is required to be given by the Paying Agent/Registrar not less than 30 days nor more than 45 days prior to the date fixed for redemption by sending notice to the Depository Trust Company, New York, New York ("DTC") (or any successor securities depository for the Bonds) so long as a book-entry-only registration ("Book-Entry-Only System") is used for the Bonds. If the Bonds subsequently are issued in certificate form, notice of redemption will be sent by United States mail, first class postage prepaid, to the registered owners of the Bonds to be redeemed in whole or in part at the address shown in the registration books kept by the Paying Agent/Registrar. See "APPENDIX C – Book-Entry-Only System" herein.

Each notice of redemption will state the redemption date, the redemption price, the place at which such Bonds are to be surrendered for payment and, if less than all Bonds outstanding are to be redeemed, the number of the Bonds or portions thereof to be redeemed.

Any notice of redemption so mailed as provided in the Bond Resolution will be conclusively presumed to have been duly given, whether or not the Bond Owner receives such notice by the date fixed for redemption, and due provisions shall be made with the Paying Agent/Registrar for payment of the redemption price of the Bonds or portions thereof to be redeemed. When the Bonds have been called for redemption, in whole or in part, and notice of redemption has been given as provided in the Bond Resolution, the Bonds or portions thereof so redeemed shall no longer be regarded as outstanding, except for the purpose of receiving payment solely from the funds so provided for redemption, and interest that would otherwise accrue after the redemption date on any Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

With respect to any redemption of the Bonds, unless certain prerequisites to such redemption required by the Bond Resolution have been met and money sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed will have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice will state that said redemption may, at the option of the Authority, be conditional upon the satisfaction of such prerequisites and receipt of such money by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not fulfilled, such notice will be of no force and effect, the Authority will not redeem such Bonds, and the Paying Agent/Registrar will give notice in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

Purchase in Lieu of Redemption

Any money held in the applicable Interest and Sinking Fund for application to the redemption of the Bonds may instead be applied, at the Authority's discretion, to purchase one or more Bonds of the same maturity as those Bonds for the redemption of which such money is held if:

- (1) the total cost to effect such purchase that is to be paid with such money (including brokerage and other charges) is less than the amount of the Bond Obligations owing on the purchased Bonds on the purchase date;
- (2) such purchase is consummated before notice of such redemption is given to the Bond Owners; and
- (3) upon such purchase, the Bond(s) so purchased are surrendered to the Paying Agent/Registrar for cancellation.

An amount of money equal to the principal amount of the Bonds so purchased shall be credited toward the particular redemption of Bonds for which such money was held.

Redemption Through DTC

The Paying Agent/Registrar, so long as a book-entry-only system is used for the Bonds, will send any notice of redemption (with respect to the Bonds), notice of proposed amendment to the Bond Resolution, or other notices with respect to the Bonds only to the DTC. Any failure by DTC to advise any Direct Participant (defined herein), or of any Direct Participant or Indirect Participant (defined herein) to notify the Beneficial Owner (defined herein), will not

affect the validity of the redemption of the Bonds called for redemption or any other action premised on any such notice. Redemption of portions of the Bonds by the Authority will reduce the outstanding principal amount of such Bonds held by DTC. In such event, DTC may implement, through its Book-Entry-Only System, a redemption of such Bonds held for the account of Direct Participants in accordance with its rules or other agreements with Direct Participants and then Direct Participants and Indirect Participants may implement a redemption of such Bonds from the Beneficial Owners. Any such selection of Bonds to be redeemed will not be governed by the Bond Resolution and will not be conducted by the Authority as Paying Agent/Registrar. Neither the Authority nor the Paying Agent/Registrar will have any responsibility to Direct Participants, Indirect Participants, or the persons for whom Direct Participants act as nominees, with respect to the payments on the Bonds or the providing of notice to Direct Participants, Indirect Participants, or Beneficial Owners of the selection of portions of the Bonds for redemption. See "DESCRIPTION OF THE BONDS – Book-Entry-Only System" herein.

Book-Entry-Only System

In reading this Official Statement, it should be understood that while the Bonds are in the Book-Entry-Only System, references in other sections of this Official Statement to Registered Owners should be read to include the person for which the Direct Participant or Indirect Participant acquires an interest in the Bonds, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System, and (ii) except as described above, notices that are to be given to Registered Owners under the Bond Resolution will be given only to DTC. See "APPENDIX C – BOOK-ENTRY-ONLY SYSTEM."

THE PAYING AGENT/REGISTRAR, SO LONG AS THE DTC BOOK-ENTRY SYSTEM IS USED FOR THE BONDS, WILL SEND ANY NOTICE OF PROPOSED AMENDMENT TO THE BOND RESOLUTION OR OTHER NOTICES WITH RESPECT TO SUCH BONDS ONLY TO DTC. ANY FAILURE BY DTC TO ADVISE ANY DTC PARTICIPANT OR OF ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT TO NOTIFY THE BENEFICIAL OWNERS, OF ANY NOTICES AND THEIR CONTENTS OR EFFECT WILL NOT AFFECT ANY ACTION PREMISED ON ANY SUCH NOTICE. NEITHER THE AUTHORITY NOR THE PAYING AGENT/REGISTRAR WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS, OR THE PERSONS FOR WHOM DTC PARTICIPANTS ACT AS NOMINEES, WITH RESPECT TO THE PAYMENTS ON THE BONDS OR THE PROVIDING OF NOTICE TO DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS, OR BENEFICIAL OWNERS.

THE AUTHORITY

General

Under the Texas Public Finance Authority Act, the Authority's power is limited to financing and refinancing project costs for State agencies and institutions and does not affect the power of the relevant State agency or institution to carry out its statutory authority, including the authority of such agency or institution to construct buildings. The Texas Public Finance Authority Act directs State agencies and institutions to carry out their authority regarding projects financed by the Authority as if the projects were financed by legislative appropriation.

Pursuant to the Texas Public Finance Authority Act and other applicable State law, the Authority issues general obligation bonds and revenue bonds for designated State agencies (including certain institutions of higher education). In addition, the Authority currently administers four commercial paper programs, namely: a lease revenue commercial paper program, which is available for financing equipment acquisitions and for the construction or renovation of buildings; a general obligation commercial paper program for certain State government construction projects; a general obligation commercial paper program for CPRIT; and a revenue commercial paper program for the Texas Facilities Commission. In addition, in 2003, the Authority created a nonprofit corporation to finance projects for eligible charter schools pursuant to Chapter 53, Texas Education Code.

The Authority has issued revenue bonds on behalf of the Texas Parks & Wildlife Department, the Texas Facilities Commission, the Texas State Preservation Board, the Texas Department of Criminal Justice, the Texas Health & Human Services Commission (which includes the Texas Department of State Health Services and the Texas Department of Health), the Texas Workforce Commission, the Texas State Technical College System, the Texas Military Department, the Texas Historical Commission, Midwestern State University, Texas Southern University, Stephen F. Austin State University and the Texas Windstorm Insurance Association. It has also issued general

obligation bonds for the Texas Parks & Wildlife Department, the Texas Facilities Commission, the Texas Department of State Health Services, the Texas Department of Criminal Justice, the Texas Department of Aging and Disability Services, the Texas Department of Public Safety, the Texas Juvenile Justice Department (formerly Texas Youth Commission and Texas Juvenile Probation Commission), the Texas National Research Laboratory Commission, the Texas Historical Commission, the Texas School for the Blind and Visually Impaired, the Texas School for the Deaf, the Texas Department of Agriculture, the Texas Military Department (formerly Adjutant General's Department and Texas Military Facilities Commission), the Texas Department of Transportation, the Texas Military Preparedness Commission, and CPRIT.

Before the Authority may issue bonds for the acquisition or construction of a building, the Texas Legislature (the "Legislature") must have authorized the specific project for which the bonds or other obligations are to be issued and the estimated cost of the project or the maximum amount of bonded indebtedness that may be incurred by the issuance of bonds. The Texas Supreme Court, in *Texas Public Building Authority v. Mattox*, 686 S. W. 2d 924 (1985), ruled that revenue bonds issued by the Authority do not constitute debt of the State within the meaning of the State Constitution. As set forth in the Texas Public Finance Authority Act, revenue obligations issued thereunder are not a debt of the State or any State agency, political corporation or political subdivision of the State and are not a pledge of the full faith and credit of any of them.

Authority Executives

The Authority is currently governed by the Board, which is composed of seven members appointed by the Governor of the State with the advice and consent of the State Senate. The Governor designates one member to serve as Chair at the will of the Governor. Board members whose terms have expired continue to serve on the Board until a successor therefor has qualified for office. The current members of the Board, the office held by each member and the date on which each member's term expires are as follows:

Name	Position	Term Expires (February 1)
Billy M. Atkinson, Jr.	Chair	2023
Ramon Manning	Vice-Chair	2027
Jay A. Riskind	Secretary	2023
Larry G. Holt	Member	2027
Shanda G. Perkins	Member	2025
Brendan Scher	Member	2025
Benjamin E. Streusand	Member	2025

The Authority generally employs approximately 14 employees, including an Executive Director, a General Counsel, a Deputy Director, and a Director of Business Administration. The Executive Director is charged with managing the affairs of the Authority, subject to and under the direction of the Board.

Lee Deviney, Executive Director. The Board appointed Mr. Deviney as the Executive Director of the Texas Public Finance Authority on June 5, 2014. Mr. Deviney previously served as the Chief Financial Officer of the Texas Economic Development and Tourism Office within the Office of the Governor since September 1, 2011. He has previously held similar positions at the Texas Lottery Commission and the Texas Education Agency and he previously served as Assistant Commissioner for Finance and Agribusiness Development for the Texas Department of Agriculture ("TDA"). Prior to his appointment as an Assistant Commissioner at TDA, Mr. Deviney served as Interim Executive Director and Director of Operations for the Authority and he was a Budget Examiner for the Texas Legislative Budget Board. Mr. Deviney has a Bachelor's degree in Economics from The University of Texas at Austin and a Master's degree in Business Administration from St. Edwards University.

John Hernandez, Deputy Director. Mr. Hernandez leads the Finance and Accounting Team, which is responsible for debt service budgeting, arbitrage rebate compliance, the State of Texas Master Lease Program, financial reporting, and information technology. Mr. Hernandez and his team also provide support for new debt issuance of fixed rate and variable rate debt. Mr. Hernandez holds a B.A. in finance from St. Edwards University in Austin.

Pamela Scivicque, Director, Business Administration. Ms. Scivicque joined the staff of the Authority in 1990. She is currently responsible for legislative reporting, procurement, accounting, budgeting and risk and property management.

Ms. Scivicque attended Texas State University, Texas Tech's Southwest School of Governmental Finance, the Texas Fiscal Officers' Academy ("TFOA") and the Governor's Executive Development Program. She has served on numerous statewide committees, including TFOA's curriculum committee, and is a member of the Texas State Business Administrators' Association where she previously served as President in 2006.

Kevin Van Oort, General Counsel. Mr. Van Oort was hired as the Authority's General Counsel on September 2, 2014. Previously, Mr. Van Oort served as Senior Tax Counsel for the Office of the Texas Attorney General; Deputy General Counsel for the Texas Comptroller of Public Accounts and General Counsel for the Texas Legislative Budget Board. Mr. Van Oort took his bachelor's degree in Economics at the University of Nebraska and his J.D. at The University of Texas.

Sunset Review

In 1977, the Legislature enacted the Texas Sunset Act (Chapter 325, Texas Government Code, as amended), which provides that virtually all agencies of the State, including the Authority, are subject to periodic review of the Legislature and that each agency subject to sunset review will be abolished unless the Legislature specifically determines to continue its existence. The next sunset review of the Authority is scheduled to occur in 2027. The Texas Public Finance Authority Act, as amended by the 87th Legislature, provides that if the Authority is not continued in existence, the Authority will cease to exist as of September 1, 2027; however, the Texas Sunset Act also provides, unless otherwise provided by law, that the Authority will exist until September 1 of the following year (September 1, 2028) in order to conclude its business.

Pursuant to the Texas Sunset Act, the Legislature specifically recognizes the State's continuing obligation to pay bonded indebtedness and all other obligations incurred by various State agencies, including the Authority. Accordingly, in the event that a future sunset review were to result in the Authority being abolished, the Governor would be required by law to designate an appropriate State agency to continue to carry out all covenants contained in the Bonds and in all other obligations, including lease, contract and other written obligations of the Authority. The designated State agency would provide payment from the sources of payment of the Bonds in accordance with the terms of the Bonds and would provide payment from the sources of payment of all other obligations in accordance with their terms, whether from a State general obligation pledge, revenues or otherwise, until the principal of and interest on the Bonds are paid in full and all other obligations, including lease, contract and other written obligations, are performed and paid in full.

State Audits

General. The State Auditor's Office ("SAO") is the independent auditor for Texas state government. The SAO operates with oversight from the Legislative Audit Committee, a six-member permanent standing committee of the Legislature, jointly chaired by the Lieutenant Governor and the Speaker of the House of Representatives.

The SAO is authorized, by Chapter 321, Texas Government Code, to perform financial audits, compliance audits, investigations and other special audits of any entity receiving State funds, including State agencies and higher education institutions. Audits are performed in accordance with generally accepted government auditing standards, which include standards issued by the American Institute of Certified Public Accountants, Governmental Accounting Standards Board, United States General Accounting Office or other professionally recognized entities that prescribe auditing standards.

Texas Bond Review Board

With certain exceptions, bonds issued by State agencies and institutions, including bonds issued by the Authority, must be approved by the Bond Review Board prior to their issuance. The Bond Review Board is composed of the Governor, the Lieutenant Governor, the Speaker of the House of Representatives, and the Comptroller of Public Accounts. The Governor is the Chairman of the Bond Review Board. Each member of the Bond Review Board may, and frequently does, act through a designee. An application was submitted to the Bond Review Board and approved on October 21, 2021.

Retirement Plan of the Authority

The Authority participates in joint contributory retirement system of the State administered by the Employees Retirement System of Texas ("ERS"), which is operated by the State and which covers State employees and the Law Enforcement and Custodial Officers System. For more detailed information on the ERS and other State administered retirement plans, see the Bond Appendix described in "APPENDIX A — The State of Texas" attached hereto.

DESCRIPTION OF THE TRANSACTION DOCUMENTS

Selected Definitions

The following is a summary of certain defined terms of the Resolution adopted by the Board on October 7, 2021. This summary does not purport to be comprehensive or definitive and is qualified in its entirety by reference to the Bond Resolution. Copies of the Resolution are available for examination at the offices of the Authority. A reference to any of such terms in the singular number shall include the plural and vice versa.

Authority means the Texas Public Finance Authority or any successor thereto.

Authorizing Law means collectively, the Constitutional Provision, Chapter 102, Texas Health and Safety Code, as amended, the Texas Public Finance Authority Act (Chapter 1232, Texas Government Code, as amended) and any regulations promulgated by the Authority thereunder, and Chapters 1207, 1371, 1401 and 1403, Texas Government Code, as amended.

Beneficial Owner means each Person in whose name a Book-Entry Bond is recorded as the owner of a beneficial interest in such Bond by a participant in such book-entry system.

Blanket Letter of Representations means any representation letter of, or agreement delivered by, the Authority pursuant to the Resolution or a prior bond resolution providing for administration of a book-entry system for the Bonds and any successive arrangements under which the Authority provides for the administration of a book- entry system for the Bonds or any other bonds.

Board means the Board of Directors of the Authority.

Bond Counsel means any law firm or firms experienced and nationally recognized in matters relating to the issuance of tax-exempt or taxable governmental obligations, which firm or firms are engaged by the Board to render services to the Authority as bond counsel.

Bond Enhancement Agreement means any loan agreement, revolving credit agreement, agreement establishing a line of credit, letter of credit, reimbursement agreement, insurance contract, commitment to purchase, purchase or sale agreement, interest rate swap agreement, or commitment or other agreement authorized by the Authority in connection with the authorization, issuance, sale, resale, security, exchange, payment, purchase, remarketing, or redemption of the Bonds, interest on the Bonds, or both, or as otherwise authorized by Chapter 1371, Texas Government Code, as amended.

Bond Obligations means the principal, premium, if any, and interest payment obligations of the Authority on each series of the Bonds.

Bond Owner means the Person who is the registered owner of any Bond, as such ownership appears in the Register.

Bonds means the "Texas Public Finance Authority State of Texas General Obligation and Refunding Bonds, Taxable Series 2021A" and "Texas Public Finance Authority State of Texas General Obligation and Refunding Bonds, Taxable Series 2021B" as further set forth in the Pricing Certificate and such other series or subseries of Bonds as may be further set forth in the Pricing Certificate as authorized by the Resolution.

Book-Entry Bond means any Bond administered under a book-entry system pursuant to the Bond Resolution and the Blanket Letter of Representations.

Business Day means any day that is a day on which the Comptroller is open for business and:

(1) while the Authority is the Paying Agent/Registrar, on which the Authority is open for business at its principal business office; or

(2) while a Person other than the Authority is the Paying Agent/Registrar, on which financial institutions in the city where a principal corporate trust office of the Paying Agent/Registrar is located are not authorized by law or executive order to close.

Chair means the Chair of the Board, or any member of the Board authorized to act as Chair.

Closing means the concurrent delivery of the Bonds to or upon the order of the Purchasers in exchange for payment therefor.

Code means the Internal Revenue Code of 1986, as amended by all legislation, if any, enacted on or before the Date of Delivery of the Bonds.

Comptroller means the Texas Comptroller of Public Accounts or any successor thereto.

Constitutional Provision means with respect to the Taxable Series 2021A Bonds, Article III, Sections 49-h, 49-l, 50-f, and 50-g of the Texas Constitution and, with respect to the Taxable Series 2021B Bonds, Article III, Section 67 of the Texas Constitution.

Continuing Disclosure Agreement means the Amended and Restated Continuing Disclosure Agreement dated March 12, 2019, between the Comptroller and the BRB, as may be further amended from time to time.

Costs of Issuance means the "costs of issuance," as provided in the Authorizing Law, incurred in connection with the issuance of the Bonds.

Costs of Issuance Fund means collectively one or more cost of issuance funds created pursuant to the Bond Resolution.

CPRIT Project means any costs or expenditures authorized to be financed by the Authority for CPRIT pursuant to the Authorizing Law and the Resolution.

DPS means the Texas Department of Public Safety.

DPS Project means any costs or expenditures authorized to be financed by the Authority for DPS pursuant to the Authorizing Law and the Resolution.

Eligible Investments means any securities or obligations in which the Comptroller is authorized by law to invest the money on deposit in the Funds.

Escrow Agent means the Texas Treasury Safekeeping Trust Company, as escrow agent under the Escrow Agreement or Escrow Instructions, as applicable, and any successor thereto as permitted therein or such other qualified escrow agent as determined by the Pricing Committee in the Pricing Certificate.

Escrow Agreement means one or more escrow agreements, if any, between the Authority and the Escrow Agent providing for the payment of the Refunded Obligations with money sufficient to pay debt services thereon, in substantially the form approved by the Pricing Certificate.

Escrow Fund means either (a) the escrow fund, created with respect to each series of the Refunded Obligations pursuant to the Escrow Agreement, if any, or (b) the escrow account for each series of the Refunded Obligations created pursuant to the Escrow Instructions, if any; such fund or account in either case to be created and held by the Escrow Agent.

Escrow Instructions means the letter of instructions, if any, from the Authority to the Escrow Agent or Issuing and Paying Agent providing for the payment for the Refunded Obligations of money sufficient to pay debt service thereon.

Executive Director means the Executive Director of the Authority, or any member of the staff of the Authority authorized by the Board to perform the duties of the Executive Director.

Fund means any of the Funds created or confirmed by the Bond Resolution.

Funds means collectively or individually, the Costs of Issuance Fund, the Escrow Fund, the Interest and Sinking Fund and the Project Fund.

General Counsel means the general counsel of the Authority or any individual or firm appointed by the Board to serve in such capacity.

Government Obligations means any of the following:

- (1) direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by the United States; and
- (2) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the Issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent.

Interest and Sinking Fund means collectively one or more interest and sinking funds created pursuant to the Bond Resolution.

Parks and Wildlife Project means any costs or expenditures authorized to be financed by the Authority for Parks and Wildlife pursuant to the Authorizing Law and the Resolution.

Parks and Wildlife means the Texas Parks and Wildlife Department.

Paying Agent/Registrar means initially, the Authority, or any financial institution appointed by the Authority in accordance with the Bond Resolution as the paying agent/registrar for the Bonds.

Person means any individual, partnership, corporation, trust, or unincorporated organization or any governmental entity.

Pricing Certificate means collectively one or more certificates executed by the Pricing Committee that set forth the final terms of the Bonds.

Pricing Committee means the members of the Board who are authorized to act on behalf of the Board in selling and delivering the Bonds, with any designated alternates as provided in the Resolution.

Project or Projects means collectively or individually, the CPRIT Project, the DPS Project and the Parks and Wildlife Project.

Project Costs means any costs associated with the Projects that are authorized under the Authorizing Law to be paid with the proceeds of the Bonds.

Project Fund or Project Funds means collectively or individually one or more Project Funds confirmed pursuant to the Resolution.

Purchase Contract means collectively one or more agreements between the Authority and the Purchasers for the purchase of the Bonds in substantially the form approved by the Pricing Committee.

Purchasers means the Person(s) who initially purchase the Bonds from the Authority pursuant to the Purchase Contract.

Record Date means the 15th day of the month immediately preceding each Interest Payment Date.

Refunded Bonds means all or any portion of the Refundable Bonds actually refunded with proceeds of the Bonds as set forth in the Pricing Certificate and as further set forth in Schedule II attached to this Official Statement.

Refunded Notes means all or any portion of the Refundable Notes actually refunded with proceeds of the Bonds as set forth in the Pricing Certificate and as further set forth in Schedule I attached to this Official Statement.

Register means the official registration records for the Bonds maintained by the Paying Agent/Registrar for the Bonds pursuant to the Bond Resolution.

Rule means Rule 15c2-12, as amended, adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

Securities Depository – means any Person acting as a securities depository for the Book-Entry Bonds.

State means the State of Texas.

Sufficient Assets means with respect to the Bond Obligations for any Bond or Bonds, any combination of the following:

- (1) an amount of money sufficient, without investment, to pay such Bond Obligations when due; and
- (2) Government Obligations that (a) are not redeemable prior to maturity; and (b) mature as to principal and interest in such amounts and at such times as will provide, without reinvestment, money sufficient to pay such Bond Obligations when due.

Transaction Documents means collectively, the Bond Resolution, the Escrow Agreement, if any, the Escrow Instructions, if any, the Purchase Contract, the Pricing Certificate and the Bonds.

The Bond Resolution

The Bonds will be issued pursuant to the Bond Resolution and the following is a summary of certain provisions of the Resolution, and the Pricing Certificate. This summary does not purport to be comprehensive or definitive and is qualified in its entirety by reference to the Bond Resolution. Copies of the Bond Resolution are available for examination at the offices of the Authority. References to the singular number includes the plural and vice versa.

Security for the Bonds. The Bonds are general obligations of the State, secured by the full faith and credit of the State and issued pursuant to the Authorizing Law, including the Constitutional Provision, which provides that, while any of the Bonds or interest on the Bonds is outstanding and unpaid, from the first money coming into the State treasury in each fiscal year not otherwise appropriated by the State Constitution, an amount sufficient to pay the principal of and interest on the Bonds that mature or become due during the fiscal year and to make payments that become due under any Bond Enhancement Agreements during the fiscal year is appropriated, less the amount in the applicable Interest and Sinking Fund at the close of the previous fiscal year. The funds that become available for payment of the Bonds pursuant to the Constitutional Provision are the sole security for the payment of the Bonds.

Ownership. A Bond Owner is deemed to be the absolute owner of the Bonds registered in the name of such Bond Owner for all purposes of determining the obligations of the Authority with respect to such Bond(s) and the Authority shall not be required to recognize the interest (beneficial or otherwise) of any other Person, notwithstanding any notice to the Authority of such Person's interest.

Transfer, Exchange, and Replacement of Bonds. For so long as the Bonds are Book-Entry Bonds, the Securities Depository will be treated as the Bond Owner for all purposes and any transfer, exchange, or replacement of a Bond will occur on the books and records of the Securities Depository.

In the event the book-entry-only system is discontinued, the transfer of a Bond will be made upon surrender of the Bond by the Bond Owner (or the Bond Owner's duly authorized attorney) to the Paying Agent/Registrar together with an endorsement or other evidence of transfer satisfactory to the Authority and the Paying Agent/Registrar. The Paying Agent/Registrar will authenticate and deliver to the transferee a new Bond of the same tenor and aggregate principal amount of the Bonds and interest rate as the surrendered Bond. A transfer will be made without charge, except that any tax or other governmental charge imposed with respect to the transfer will be paid by the transferring Bond Owner.

A Bond may be exchanged by the Bond Owner for a new Bond (each in an authorized denomination) of the same tenor and aggregate principal amount and interest rate of the Bonds upon surrender to the Paying Agent/Registrar by the Bond Owner (or the Bond Owner's duly authorized attorney) of the Bond as to which the exchange is desired. The Paying Agent/Registrar will authenticate and deliver to the surrendering Bond Owner the new Bond(s) in exchange for the surrendered Bond. The out-of-pocket expenses incurred by the Authority and the Paying Agent/Registrar in

connection with making an exchange of Bonds and any tax or other governmental charge imposed with respect to the exchange will be paid by the Bond Owner.

The Paying Agent/Registrar is not required to transfer or exchange any Bond: (1) between a Record Date and the related Interest Payment Date, (2) during the 30-day period preceding the maturity date of the Bond, or (3) which has been selected for redemption in whole or in part.

At the request of the Bond Owner of a mutilated, lost, stolen, or destroyed Bond, the Bond will be replaced if, in the case of a mutilated Bond, the Bond Owner (or its duly authorized representative) surrenders the mutilated Bond to the Paying Agent/Registrar, or in the case of a lost, stolen, or destroyed Bond, the Bond Owner (1) furnishes the Authority and the Paying Agent/Registrar with evidence satisfactory to the Authority and the Paying Agent/Registrar that the loss, theft, or destruction has occurred, (2) provides indemnity or security satisfactory to the Authority and the Paying Agent/Registrar to save the Paying Agent/Registrar and the Authority harmless from any loss or damage with respect thereto, and (3) satisfies such other requirements as may reasonably be imposed by the Authority and the Paying Agent/Registrar. If a mutilated, lost, stolen, or destroyed Bond has matured or will mature within the 30-day period following the Bond Owner's request for a replacement Bond, the Bond (at the Authority's direction) may, if indemnity or security is provided as described above, be paid instead of delivering a replacement Bond. The out-of-pocket expenses incurred by the Authority and the Paying Agent/Registrar in connection with replacement of a Bond and any tax or other governmental charge imposed with respect to the replacement will be paid by the Bond Owner.

Creation of Funds. The Authority will create the following Funds for each series of the Bonds: (i) the Interest and Sinking Fund, and (ii) the Costs of Issuance Fund. The Resolution confirmed each previously created Project Fund for the Bonds. The Escrow Fund will be created by the Escrow Agent pursuant to the Escrow Agreement or Escrow Instructions, as applicable.

The Funds will be maintained by the Comptroller in the treasury of the State, separate from any other funds, and shall be held in trust for application as provided by the Resolution.

The Authority may also create additional funds and accounts from time to time as may be necessary or convenient to accomplish the purposes of the Resolution including the creation of additional interest and sinking funds, project funds and costs of issuance funds if any additional Series of Bonds are issued.

Application of Constitutionally Appropriated Funds. The Authority will cause to be deposited into the applicable Interest and Sinking Fund an amount sufficient (together with any other money on deposit therein) to provide for the timely payment of the Bond Obligations, from money that is available for such purpose under the Constitutional Provision, not later than the second Business Day preceding each date on which any Bond Obligations come due. The Authority may make any such deposit on an earlier date so long as such date is not earlier than the 50th day before the date the Bond Obligations for which such deposit is made come due. If, on any date that money in the applicable Interest and Sinking Fund is required to be withdrawn for the payment of Bond Obligations, such Interest and Sinking Fund does not contain sufficient money for such purpose, an amount of immediately available money sufficient (together with money then on deposit in the Interest and Sinking Fund) to pay such Bond Obligations will be transmitted to the appropriate payee(s) for such purpose from money made available under the Constitutional Provision, at such time as will cause such Bond Obligations to be timely paid.

Application of Interest and Sinking Fund. Amounts on deposit in each Interest and Sinking Fund will be applied at such times and in such amounts as required for the timely payment of Bond Obligations. Any amounts remaining in an Interest and Sinking Fund after the defeasance of all Bond Obligations shall be transferred at the direction of the Authority in accordance with applicable law.

Application of Project Fund. Each Project Fund will be applied to pay Project Costs of the applicable Project. All interest earned on funds on deposit in a Project Fund will be available at the direction of the Authority to be maintained in the applicable Project Fund to pay the Project Costs of the applicable Project or to be transferred to the applicable Interest and Sinking Fund for payment of Bond Obligations next coming due, provided that once interest earnings have been transferred and deposited in such Interest and Sinking Fund, such interest earnings shall accrue therein for the benefit of the Bond Owners. If it is determined at any time that the aggregate of all funds on deposit in a Project Fund exceeds the unexpended portion of the applicable Project Costs, then the Authority may transfer any additional interest earned on amounts in such Project Fund to the applicable Interest and Sinking Fund for the Bonds for

application to the next payment coming due on the applicable Series of Bonds, provided that the amount so transferred may not exceed the amount of such payment next coming due.

Investment of Funds. The money on deposit in any Fund may be invested and reinvested only in Eligible Investments by the Comptroller. The investments of each Fund will be made under conditions that will timely provide amounts sufficient to satisfy the purpose(s) for which such Fund is intended. The proceeds received from the disposition of any investment acquired with money from any Fund, and any income received from any such investment, are to be deposited into such Fund. Uninvested money (if any) in any Fund is to be secured in the manner and to the extent required by law.

Unclaimed Payments. Any money held for the payment of Bond Obligations due on any Bond, which money is unclaimed by the Bond Owner, will be set aside in an escrow fund, uninvested, and held for the exclusive benefit of the Bond Owner, without liability for any interest thereon. Any such money remaining unclaimed for three years after such Bond Obligations became due (or such other period as specified by applicable law) will be transferred to the Authority, which will dispose of such money pursuant to Title 6 of the Texas Property Code or other applicable law. After such disposal, all liability of the Authority and the Paying Agent/Registrar for the payment of such money will cease. The Authority and the Paying Agent/Registrar will comply with the reporting requirements of Chapter 74 of the Texas Property Code, as amended, or other applicable law with respect to such unclaimed money.

Amendment. Except as provided below, the Bond Resolution may not be amended without the consent of the Bond Owners of at least a majority in aggregate principal amount of the outstanding Bonds affected by such amendment. The consent of the Bond Owners of all outstanding Bonds is required for any proposed amendment to the Bond Resolution that would:

- (1) permit a preference or priority of any Bond over another Bond; or
- (2) reduce the percentage of Bond Owners that is required to consent to an amendment of the Bond Resolution.

The consent of the Bond Owner of each affected outstanding Bond is required for any proposed amendment to the Bond Resolution that would:

- (1) change the time of any regularly scheduled payment of Bond Obligations, the principal amount of any Bond, the interest rate on any Bond, the currency in which Bond Obligations are required to be paid, or any of the other terms of the Bond Resolution governing the time, place, or manner of payment of Bond Obligations;
- (2) impair the security for any Bond; or
- (3) result in a reduction of any then existing rating on the Bonds.

Except as provided above, no Bond Owner consent is required for an amendment to the Bond Resolution if the amendment, in the opinion of Bond Counsel, will not adversely affect the rights of any Bond Owner under the Transaction Documents, including without limitation, amendments, changes, or modifications to facilitate the utilization of Bond Enhancement Agreements.

No amendment to the Bond Resolution will take effect until the Executive Director obtains an opinion of Bond Counsel to the effect that such amendment will not violate the Bond Resolution, the Authorizing Law or other applicable law and, upon obtaining the required Bond Owner consent (if any), will comply with the requirements of the Bond Resolution for such amendment.

Discharge of Claim Against Constitutional Provision. The claim of the Bond Resolution against money provided under the Constitutional Provision will be deemed discharged and of no further force and effect when the Bond Obligations on all Bonds have been discharged and all other amounts of money payable under the Bond Resolution have been paid or arrangements satisfactory to the Person to whom any such payment is due for making such payment have been made. The Bond Obligations on any Bond or Bonds will be deemed discharged when (i) such Bond Obligations have been paid pursuant to the terms of such Bonds or become due (whether at stated maturity or otherwise) and money sufficient for the payment thereof has been deposited into the applicable Interest and Sinking Fund or with the Paying Agent/Registrar; (ii) such Bonds have been canceled or surrendered to the Paying

Agent/Registrar for cancellation; or (iii) such Bond Obligations have been discharged by a deposit of Sufficient Assets as described below.

Defeasance. The benefits of the Bond Resolution, and the covenants of the Authority contained therein in support of any Bond, will be deemed redeemed and discharged with respect to such Bond when the following requirements have been satisfied:

- (1) the payment of the Bond Obligations with respect thereto has been provided for by irrevocably depositing Sufficient Assets into the applicable Interest and Sinking Fund or with the Paying Agent/Registrar or a financial institution or trust company designated by the Authority, which will be held in trust in a separate escrow account and applied exclusively to the payment of such Bond Obligations;
- (2) the Authority has received an opinion of Bond Counsel to the effect that: (a) such deposit of Sufficient Assets complies with State law; and (b) all conditions precedent to such Bond Obligations being deemed discharged have been satisfied;
- (3) all amounts of money (other than Bond Obligations) due, or reasonably estimated by the Paying Agent/Registrar to become due, under the Bond Resolution with respect to such Bond(s) have been paid, or provision satisfactory to the Person to whom any such payment is or will be due for making such payment has been made; and
- (4) the Paying Agent/Registrar has received such other documentation and assurance as the Paying Agent/Registrar reasonably may request.

If a deposit of Sufficient Assets is to provide for the payment of Bond Obligations on less than all of the outstanding Bonds, the particular maturity or maturities of Bonds (or, if less than all of a particular maturity, the principal amounts), will be as specified by the Authority, and the particular Bonds (or portions thereof) will be selected by the Paying Agent/Registrar by lot in such manner as the Paying Agent/Registrar determines (provided that a portion of a Bond may be redeemed only in an integral multiple of \$5,000 principal amount).

To the extent permitted by law, at the Executive Director's, or other Authority Representative's (as defined in the Resolution), direction, the Paying Agent/Registrar may substitute, for any of the securities or obligations deposited as Sufficient Assets, other securities or obligations constituting Sufficient Assets if, upon such substitution, the requirements for redemption and discharge described above are satisfied. Any net proceeds realized from such a substitution will be paid to the Authority.

No Individual Liability. No obligation imposed under the Bond Resolution, the Bonds, or any document executed by the Authority or the Comptroller in connection therewith will be deemed to be the obligation, in an individual capacity, of any director, officer, employee, or agent of the Authority or the Comptroller, and no such director, officer, employee, or agent or any individual executing the Bonds or any such other document on behalf of any such entity will be subject to any personal liability with respect thereto.

Bond Enhancement Agreement. Pursuant to the Bond Resolution, to the extent permitted by law and by adoption of a resolution, the Pricing Committee may approve the material terms of one or more Bond Enhancement Agreements for the Bonds subsequent to the authorization and issuance of the Bonds. The Board has authorized the Executive Director or other Authority Representative to act on behalf of the Authority from time to time in negotiating and approving the details of any Bond Enhancement Agreements. The execution and delivery of any Bond Enhancement Agreement is subject to the approval of the Attorney General of Texas. Bond Owner consent is not necessary for the Authority to adopt a Bond Enhancement Agreement. Payments due under one or more Bond Enhancement Agreements will be made from funds made available for such purpose pursuant to the Constitutional Provision.

The Escrow Agreement

The following is a summary of certain provisions of the Escrow Agreement. This summary does not purport to be comprehensive or definitive and is qualified in its entirety by reference to the Escrow Agreement. Copies of the Escrow Agreement are available for examination at the offices of the Authority.

The Escrow Agreement is an agreement by and between the Authority and the Texas Treasury Safekeeping Trust Company, as escrow agent, whereby certain proceeds of the Bonds and any beginning cash balance will be deposited in the Escrow Fund. Such deposit, all proceeds therefrom, and all cash balances from time to time on deposit therein (a) will be the property of the respective Escrow Fund as a special trust and irrevocable escrow fund, (b) will be applied in strict conformity with the terms of the Escrow Agreement, and (c) will be applied to the extent needed to pay the principal and interest requirements on and redemption price of the respective Refunded Obligations.

In the Escrow Agreement, the Authority represents, in reliance on the verification report of Robert Thomas CPA, LLC, that the Escrowed Securities (as defined in the Escrow Agreement) and cash balance on deposit from time to time in the Refunded Bonds Escrow Fund will be at all times sufficient to provide money for transfer to the place of payment for the Refunded Bonds at the times and in the amounts required by such place of payment for the Refunded Bonds. See "PLAN OF FINANCE – Payment of Refunded Bonds."

Furthermore, in the Escrow Agreement, the Authority represents, in reliance on the verification report of Robert Thomas CPA, LLC, that the cash balance on deposit from time to time in the Refunded Notes Escrow Fund will be at all times sufficient to provide money for transfer to the place of payment for the Refunded Notes at the times and in the amounts required by such place of payment for the Refunded Notes. See "PLAN OF FINANCE – Payment of Refunded Notes."

GENERAL INFORMATION REGARDING THE STATE OF TEXAS

Available Information

The Comptroller prepares (a) a quarterly appendix (the "Bond Appendix"), which sets forth certain information regarding the State (including its government, finances, economic profile, and other matters) for use by State entities when issuing debt, (b) an annual Annual Comprehensive Financial Report (the "State ACFR"), which includes financial statements audited by the State Auditor, and (c) from time to time notices of certain events as described under "CONTINUING DISCLOSURE OF INFORMATION – Continuing Disclosure Undertaking of the Comptroller – *Event Notices*" as well as supplements to the Bond Appendix. All such documents are provided to the MSRB and are publicly accessible as described in "APPENDIX A – The State of Texas." The most current such documents are described in "APPENDIX A – The State of Texas" and are incorporated herein by reference. No representation is made that such documents contain all facts material to an evaluation of the ability of the State to make timely payment of debt service on the Bonds, or the value of the Bonds, or that any specific information should be accorded any particular significance.

Constitutional Debt Limit

Article III, Section 49-j of the Texas Constitution prohibits the Legislature from authorizing additional State debt payable from the general revenue fund, including authorized but unissued bonds and lease purchase contracts in excess of \$250,000 but excluding debt reasonably expected to be paid from other sources, if the resulting maximum annual debt service in any State fiscal year on such State debt payable from the general revenue fund exceeds 5% of the average amount of general fund revenues for the three immediately preceding fiscal years, excluding revenues constitutionally dedicated for purposes other than payment of State debt. Prior to the Date of Delivery of the Bonds, the Bond Review Board is expected to certify that the maximum annual debt service in any fiscal year on debt payable from the general revenue fund, including the debt service on the Bonds, does not exceed 5% of the average of the amount of general revenue fund revenues, excluding revenues constitutionally dedicated for purposes other than payment of State debt, for the three preceding fiscal years. See "APPENDIX A – The State of Texas" and "INTRODUCTION – Security."

Infectious Disease Outbreak (COVID-19)

The World Health Organization declared a pandemic following the outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus (the "Pandemic"), which is currently affecting many parts of the world, including the United States and the State.

For additional information regarding the impact of the Pandemic on the State, and other actions taken by the State in connection with the Pandemic, see "INFECTIOUS DISEASE OUTBREAK – COVID-19" in the August 2021 Bond

Appendix, as may be supplemented, referenced in "APPENDIX A – The State," and incorporated herein by reference.

LEGAL MATTERS

Legal Opinions

The delivery of the Bonds is subject to the Authority furnishing the Underwriters a complete transcript of proceedings incident to the authorization and issuance of the Bonds and the approval of the Attorney General of Texas to the effect that the Bonds are valid and legally binding obligations of the Authority, and the approving legal opinions of Norton Rose Fulbright US LLP, Bond Counsel, to the effect that the Bonds, issued in compliance with the provisions of the Bond Resolution, are valid and legally binding obligations of the Authority, subject to applicable provisions of sovereign immunity, bankruptcy, reorganization and other similar matters affecting the rights of creditors or by general principles of equity which permit the exercise of judicial discretion. The forms of opinions that Bond Counsel will render are attached hereto as Appendix B. Bond Counsel was engaged by, and only represents, the Authority. In its capacity as Bond Counsel, such firm has reviewed the statements and information appearing under captions "PLAN OF FINANCE" (except for the information under the subcaption "Sources and Uses of Funds" as to which no opinion will be expressed), "DESCRIPTION OF THE BONDS" (except for the information under the subcaption "Book-Entry-Only System," as to which no opinion will be expressed), "DESCRIPTION OF THE TRANSACTION DOCUMENTS," "LEGAL MATTERS," "TAX MATTERS," and "CONTINUING DISCLOSURE OF INFORMATION" (except for the information under the subcaption "Continuing Disclosure Undertaking of the Comptroller" as to which no opinion will be expressed, and except for any information describing or otherwise pertaining to the continuing disclosure undertaking of the Comptroller, as to which no opinion will be expressed), and such firm is of the opinion that the statements and information contained under such captions and subcaptions provide an accurate and fair description of the Bonds, the Escrow Agreement and the Bond Resolution and are correct as to matters of law. The legal fee to be paid to Bond Counsel for services rendered in connection with the issuance of the Bonds is contingent upon the sale and delivery of the Bonds. The legal opinions of Bond Counsel will accompany the Bonds deposited with DTC or will be printed on the definitive Bonds in the event of the discontinuance of the Book-Entry-Only System.

Certain legal matters will be passed upon for the Authority by Escamilla & Poneck, LLP, San Antonio, Texas, Disclosure Counsel to the Authority, whose legal fee is contingent on the sale and delivery of the Bonds. Certain legal matters will be passed upon for the Underwriters by their co-counsel, Bracewell LLP, Houston, Texas and Hardwick Law Firm, LLC, Austin, Texas, whose legal fees are contingent on the sale and delivery of the Bonds. Bond Counsel, Disclosure Counsel, and Co-Underwriters' Counsel periodically serve in other capacities on other separate and unrelated offerings of securities by the Authority.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of the transaction opined upon, or of the future performance of the parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

Legal Investments in Texas

Section 1201.041 of the Public Security Procedures Act (Chapter 1201, Texas Government Code) provides that the Bonds are negotiable instruments, investment securities governed by Chapter 8, Texas Business & Commerce Code, and are legal and authorized investments for insurance companies, fiduciaries, and trustees, and for the sinking fund of municipalities or other political subdivisions or public agencies of the State of Texas. In addition, various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Bonds are legal investments for state banks, savings banks, trust companies with at least \$1 million of capital and savings and loan associations. The Bonds are eligible to secure deposits of any public funds of the State, its agencies and political subdivisions, and are legal security for those deposits to the extent of their market value. For political subdivisions in Texas that have adopted investment policies and guidelines in accordance with the Public Funds Investment Act, the Bonds may have to be assigned a rating of at least "A" or its equivalent as to investment quality by a national rating agency before such obligations are eligible investments for sinking funds and other public funds.

The Authority has not made any investigation of other laws, rules, regulations or investment criteria that might apply to such institutions or entities or that might limit the suitability of the Bonds for any of the foregoing purposes or limit the authority of such institutions or entities to purchase or invest in the Bonds for such purposes. The Authority has not made any review of laws in other states to determine whether the Bonds are legal investments for various institutions in those states.

Registration and Qualification of Bonds for Sale

No registration statement relating to the Bonds has been filed with the United States Securities and Exchange Commission under the Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a)(2). The Bonds have not been approved or disapproved by the United States Securities and Exchange Commission, nor has the United States Securities and Exchange Commission passed upon the accuracy or adequacy of the Official Statement. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; and have not been registered or qualified under the securities acts of any other jurisdiction. The Authority does not assume any responsibility for registration or qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated, or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions.

Forward-Looking Statements

The statements contained or incorporated by reference into this Official Statement, and in any other information provided by the Authority and the Comptroller, that are not purely historical, are forward-looking statements, including statements regarding the Authority's and the Comptroller's expectations, hopes, intentions, or strategies regarding the future.

Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the Authority and the Comptroller on the date hereof, and the Authority and the Comptroller assume no obligation to update any such forward-looking statements. It is important to note that the Authority's and the State's actual results could differ materially from those in such forward-looking statements.

The forward-looking statements herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Authority and the Comptroller. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement would prove to be accurate.

Verification of Mathematical Computations

Robert Thomas CPA, LLC, a firm of independent public accountants (the "Verification Agent"), will deliver to the Authority, on or before the settlement date of the Bonds, one or more verification reports indicating that it has verified, in accordance with attestation standards established by the American Institute of Certified Public Accountants, the mathematical accuracy of the mathematical computations of the adequacy of the cash, and the maturing principal of and interest on the Escrowed Securities (with respect to the Refunded Bonds), to pay, when due, the maturing principal of, interest on and related call premium requirements, if any, of the Refunded Obligations. Such verification will be relied upon by Bond Counsel in rendering its opinions with respect to defeasance of the Refunded Obligations.

The verification performed by the Verification Agent will be solely based upon data, information and documents provided to the Verification Agent by the Financial Advisor on behalf of the Authority. The Verification Agent has

restricted its procedures to recalculating the computations provided by the Financial Advisor on behalf of the Authority and has not evaluated or examined the assumptions or information used in the computations.

TAX MATTERS

General

The following is a general summary of certain United States federal income tax consequences of the purchase and ownership of the Bonds. The discussion is based upon laws, Treasury Regulations, rulings and decisions now in effect, all of which are subject to change or possibly differing interpretations. No assurances can be given that future changes in the law will not alter the conclusions reached herein. The discussion below does not purport to deal with United States federal income tax consequences applicable to all categories of investors. Further, this summary does not discuss all aspects of United States federal income taxation that may be relevant to a particular investor in the Bonds in light of the investor's particular personal investment circumstances or to certain types of investors subject to special treatment under United States federal income tax laws (including insurance companies, tax exempt organizations, financial institutions, brokers-dealers, and persons who have hedged the risk of owning the Bonds). The summary is therefore limited to certain issues relating to initial investors who will hold the Bonds as "capital assets" within the meaning of section 1221 of the Internal Revenue Code of 1986, as amended (the "Code"), and acquire such Bonds for investment and not as a dealer or for resale. Prospective investors should note that no rulings have been or will be sought from the Internal Revenue Service (the "IRS") with respect to any of the U.S. federal income tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions.

As used herein, "U.S. Holder" means a beneficial owner of a Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). As used herein, "Non-U.S. Holder" generally means a beneficial owner of a Bond (other than a partnership) that is not a U.S. Holder. If a partnership holds Bonds, the tax treatment of such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding Bonds, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the Bonds (including their status as U.S. Holders or Non-U.S. Holders).

INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS IN DETERMINING THE FEDERAL, STATE, LOCAL, FOREIGN AND ANY OTHER TAX CONSEQUENCES TO THEM FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE BONDS.

U.S. Holders

Payments of Stated Interest on the Bonds. The stated interest paid on the Bonds will be included in the gross income, as defined in section 61 of the Code, of U.S. Holders and be subject to U.S. federal income taxation when received or accrued, depending on the tax accounting method applicable to the U.S. Holders.

Original Issue Discount. If a substantial amount of the Bonds of any stated maturity is purchased at original issuance for a purchase price (the "Issue Price") that is less than their face amount by more than one quarter of one percent times the number of complete years to maturity, the Bonds of such maturity will be treated as being issued with "original issue discount." The amount of the original issue discount will equal the excess of the principal amount payable on such Bonds at maturity over its Issue Price, and the amount of the original issue discount on the Bonds will be amortized over the life of the Bonds using the "constant yield method" provided in the Treasury Regulations. As the original issue discount accrues under the constant yield method, U.S. Holders, regardless of their regular method of accounting, will be required to include such accrued amount in their gross income as interest. This can result in taxable income to U.S. Holders that exceeds actual cash distributions to the U.S. Holders in a taxable year.

The amount of the original issue discount that accrues on the Bonds each taxable year will be reported annually to the IRS and to the U.S. Holders. The portion of the original issue discount included in each beneficial owner's gross

income while the U.S. Holder holds the Bonds will increase the adjusted tax basis of the Bonds in the hands of such U.S. Holder.

Premium. If a U.S. Holder purchases a Bond for an amount that is greater than its stated redemption price at maturity, such U.S. Holder will be considered to have purchased the Bond with "amortizable bond premium" equal in amount to such excess. A U.S. Holder may elect to amortize such premium using a constant yield method over the remaining term of the Bond and may offset interest otherwise required to be included in respect of the Bond during any taxable year by the amortized amount of such excess for the taxable year. Bond premium on a Bond held by a U.S. Holder that does not make such an election will decrease the amount of gain or increase the amount of loss otherwise recognized on the sale, exchange, redemption or retirement of a Bond. However, if the Bond may be optionally redeemed after the U.S. Holder acquires it at a price in excess of its stated redemption price at maturity, special rules would apply under the Treasury Regulations which could result in a deferral of the amortization of some bond premium until later in the term of the Bond. Any election to amortize bond premium applies to all taxable debt instruments held by the U.S. Holder on or after the first day of the first taxable year to which such election applies and may be revoked only with the consent of the IRS.

Medicare Contribution Tax. Pursuant to section 1411 of the Code, as enacted by the Health Care and Education Reconciliation Act of 2010, an additional tax is imposed on individuals beginning January 1, 2013. The additional tax is 3.8% of the lesser of (i) net investment income (defined as gross income from interest, dividends, net gain from disposition of property not used in a trade or business, and certain other listed items of gross income), or (ii) the excess of "modified adjusted gross income" of the individual over \$200,000 for unmarried individuals (\$250,000 for married couples filing a joint return and a surviving spouse). U.S. Holders of the Bonds should consult with their tax advisor concerning this additional tax, as it may apply to interest earned on the Bonds as well as gain on the sale of a Bond.

Disposition of Bonds and Market Discount. A U.S. Holder will generally recognize gain or loss on the redemption, sale or exchange of a Bond equal to the difference between the redemption or sales price (exclusive of the amount paid for accrued interest) and the U.S. Holder's adjusted tax basis in the Bonds. Generally, the U.S. Holder's adjusted tax basis in the Bonds will be the U.S. Holder's initial cost, increased by the original issue discount previously included in the U.S. Holder's income to the date of disposition. Any gain or loss generally will be capital gain or loss and will be long-term or short-term, depending on the U.S. Holder's holding period for the Bonds.

Under current law, a purchaser of a Bond who did not purchase the Bonds in the initial public offering (a "subsequent purchaser") generally will be required, on the disposition of the Bonds, to recognize as ordinary income a portion of the gain, if any, to the extent of the accrued "market discount." Market discount is the amount by which the price paid for the Bonds by a subsequent purchaser is less than the sum of Issue Price and the amount of original issue discount previously accrued on the Bonds. The Code also limits the deductibility of interest incurred by a subsequent purchaser on funds borrowed to acquire Bonds with market discount. As an alternative to the inclusion of market discount in income upon disposition, a subsequent purchaser may elect to include market discount in income currently as it accrues on all market discount instruments acquired by the subsequent purchaser in that taxable year or thereafter, in which case the interest deferral rule will not apply. The re-characterization of gain as ordinary income on a subsequent disposition of Bonds could have a material effect on the market value of the Bonds.

Legal Defeasance. If the Board elects to defease the Bonds by depositing in escrow sufficient cash and/or obligations to pay when due outstanding Bonds (a "legal defeasance"), under current tax law, a U.S. Holder may be deemed to have sold or exchanged its Bonds. In the event of such a legal defeasance, a U.S. Holder generally would recognize gain or loss in the manner described above. Ownership of the Bonds after a deemed sale or exchange as a result of a legal defeasance may have tax consequences different from those described above, and each U.S. Holder should consult its own tax advisor regarding the consequences to such beneficial owner of a legal defeasance of the Bonds.

Backup Withholding. Under section 3406 of the Code, a U.S. Holder may, under certain circumstances, be subject to "backup withholding" on payments of current or accrued interest on the Bonds. This withholding applies if such U.S. Holder: (i) fails to furnish to payor such U.S. Holder's social security number or other taxpayer identification number ("TIN"); (ii) furnishes the payor an incorrect TIN; (iii) fails to report properly interest, dividends, or other "reportable payments" as defined in the Code; or (iv) under certain circumstances, fails to provide the payor with a certified statement, signed under penalty of perjury, that the TIN provided to the payor is correct and that such U.S. Holder is not subject to backup withholding.

Backup withholding will not apply, however, with respect to payments made to certain U.S. Holders. U.S. Holders should consult their own tax advisors regarding their qualification for exemption from backup withholding and the procedures for obtaining such exemption.

Reporting of Interest Payments. Subject to certain exceptions, interest payments made to beneficial owners with respect to the Bonds will be reported to the IRS. Such information will be filed each year with the IRS on Form 1099 which will reflect the name, address, and TIN of the beneficial owner. A copy of Form 1099 will be sent to each U.S. Holder for U.S. federal income tax purposes.

Non U.S. Holders

Effectively Connected Income. If, under the Code, interest on the Bonds is effectively connected with the conduct of a trade or business within the United States by a Non-U.S. Holder, such interest will be subject to U.S. federal income tax in a similar manner as if the Bonds were held by a U.S. Holder, as described above, and in the case of Non-U.S. Holders that are corporations, interest on the Bonds also may be included in the computation of earnings and profits that are subject to a U.S. branch profits tax at a rate of up to 30%, unless an applicable tax treaty provides otherwise. Such Non-U.S. Holder will not be subject to withholding taxes, however, if it provides a properly executed Form W-8ECI to the Corporation or its paying agent, if any.

Withholding on Payments to Non-U.S. Holders. Under sections 1441 and 1442 of the Code, Non-U.S. Holders are generally subject to withholding at the rate of 30% on periodic income items arising from sources within the United States, provided such income is not effectively connected with the conduct of a United States trade or business. Assuming the interest received by the Non-U.S. Holders is not treated as effectively connected income within the meaning of section 864 of the Code, such interest will be subject to 30% withholding, or any lower rate specified in an income tax treaty, unless such income is treated as portfolio interest. Interest will be treated as portfolio interest if: (i) the Non-U.S. Holder provides a statement to the payor certifying, under penalties of perjury, that such Non-U.S. Holder is not a United States person and providing the name and address of such Non-U.S. Holder; (ii) such interest is treated as not effectively connected with the Non-U.S. Holder's United States trade or business; (iii) interest payments are not made to a person within a foreign country which the IRS has included on a list of countries having provisions inadequate to prevent United States tax evasion; (iv) interest payable with respect to the Bonds is not deemed contingent interest within the meaning of the portfolio debt provision; (v) such Non-U.S. Holder is not a controlled foreign corporation, within the meaning of section 957 of the Code; and (vi) such Non-U.S. Holder is not a bank receiving interest on the Bonds pursuant to a loan agreement entered into in the ordinary course of the bank's trade or business.

Assuming payments on the Bonds are treated as portfolio interest within the meaning of sections 871 and 881 of the Code, then no backup withholding under sections 1441 and 1442 of the Code and no backup withholding under section 3406 of the Code is required with respect to Non-U.S. Holders or intermediaries who have furnished Form W-8BEN, Form W-8EXP or Form W-8IMY, as applicable, provided the payor does not have actual knowledge that such person is a United States person.

Disposition of the Bonds. Generally gain realized by a Non-U.S. Holder upon the sale, exchange, redemption, retirement (including pursuant to an offer by the Board or a deemed retirement due to defeasance of the Bond) or other disposition of a Bond generally will not be subject to U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States; or (ii) in the case of any gain realized by an individual Non-U.S. Holder, such holder is present in the United States for 183 days or more in the taxable year of such sale, exchange, redemption, retirement (including pursuant to an offer by the Board) or other disposition and certain other conditions are met.

Foreign Account Tax Compliance Act – U.S. Holders and Non-U.S. Holders. Sections 1471 through 1474 of the Code impose a 30% withholding tax on certain types of payments made to a foreign financial institution, unless the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain United States persons or U.S.-owned entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these and other reporting requirements, or unless the foreign financial institution is otherwise exempt from those requirements. In addition, the Foreign Account Tax Compliance Act ("FATCA") imposes a 30% withholding tax on the same types of payments to a non-financial foreign entity unless the entity certifies that it does not have any

substantial U.S. owners or the entity furnishes identifying information regarding each substantial United States owner. Failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on payments of interest and principal under the Bonds and sales proceeds of Bonds held by or through a foreign entity. Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

RATINGS

S&P Global Ratings, a division of S&P Global Inc., and Fitch Ratings, Inc., have assigned ratings of "AAA" and "AAA," respectively, to the Bonds. An explanation of the significance of such ratings may be obtained from the company furnishing the rating. A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time. The ratings reflect only the respective views of such organizations and the Authority makes no representation as to the appropriateness of the ratings. There is no assurance that the ratings of the Bonds will continue for any given period of time or that they will not be revised downward or withdrawn entirely if, in the judgment of any one or more of these companies, circumstances so warrant. Any such downward revision or withdrawal of such ratings, or either of them, may have an adverse effect on the market price of the Bonds.

CONTINUING DISCLOSURE OF INFORMATION

Each of the Authority and the Comptroller has entered into a separate undertaking for the benefit of the holders and beneficial owners of the Bonds to provide certain updated information and notices to the MSRB through its EMMA system, as described below.

Continuing Disclosure Undertaking of the Authority

General. In the Bond Resolution, the Authority has made the following agreement for the benefit of the Owners and Beneficial Owners of the Bonds. Under the agreement, the Authority will be obligated to provide timely notice of specified events to the MSRB. The information will be available to investors by the MSRB through its EMMA system, free of charge at www.emma.msrb.org.

Annual Reports. The Authority and the legal and beneficial owners of the Bonds are third-party beneficiaries of the Comptroller's Continuing Disclosure Agreement. The Comptroller will provide certain updated financial information and operating data to the MSRB, in an electronic format as prescribed by the MSRB, annually, as set out in the Continuing Disclosure Agreement, and described under "– Continuing Disclosure Undertaking of the Comptroller – Annual Reports."

Event Notices. The Authority will provide to the MSRB, with respect to the Bonds, notice not in excess of ten business days after the occurrence of any of the following events: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (7) modifications to rights of bondholders, if material; (8) Bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the Authority; (13) the consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of the assets of the Authority, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and (14) the appointment of a successor or additional trustee or the change of name of a trustee, if material.

For the purposes of the event numbered 12 in the preceding paragraph, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Authority in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Authority, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan

of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Authority.

Continuing Disclosure Undertaking of the Comptroller

General. The Comptroller has entered into an Amended and Restated Continuing Disclosure Agreement with the Bond Review Board dated March 12, 2019 (the "Agreement"). The Authority and the legal and beneficial owners of the Bonds are third party beneficiaries of the Agreement. The Comptroller is required to observe this Agreement in respect to any issue of Securities, as defined in the Agreement (which includes the Bonds), for so long as the State remains an "obligated person" with respect to the Bonds within the meaning of the Rule. Under the Agreement, the Comptroller will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified events, to the MSRB as described below.

Annual Reports. The Comptroller will provide certain updated financial information and operating data to the MSRB annually, in an electronic format as prescribed by the MSRB. Under the Agreement, the Comptroller is not obligated to provide such financial and operating data more frequently than on an annual basis. The information to be updated includes all quantitative financial information and operating data with respect to the State of the general type referred to in the Bond Appendix. The Comptroller will update and provide this information to the MSRB within 195 days after the end of each fiscal year of the State.

The financial information and operating data to be provided may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's EMMA website or filed with the SEC, as permitted by the Rule. The updated information provided by the Comptroller will be provided on a cash basis and will not be audited, but the Comptroller will provide audited financial statements of the State prepared in accordance with generally accepted accounting principles for governmental entities when the State Auditor completes its statutorily required audit of such financial statements. The accounting principles pursuant to which such financial statements must be prepared may be changed from time to time to comply with State law.

The State's current fiscal year end is August 31. Accordingly, the Comptroller must provide updated information within 195 days thereof in each year unless the State changes its fiscal year. If the State changes its fiscal year, the Comptroller will notify the MSRB of the change prior to the next date by which the Comptroller otherwise would be required to provide financial information and operating data as described above.

Quarterly Reports. Although it is not contractually committed to do so, the Comptroller currently prepares and files with the MSRB a quarterly disclosure appendix (defined herein as the Bond Appendix) which provides a general description of the State and sets forth certain information regarding the State, including its government, finances, economic profile and other matters for use by State entities when issuing debt. Certain tables within the Bond Appendix are updated on a quarterly basis while other tables within the Bond Appendix are updated on a semiannual or annual basis. The Bond Appendix is not audited and provides financial data on a cash basis. The Comptroller generally files an updated Bond Appendix with the MSRB within two weeks after each January 31, April 30, July 31, and October 31, and the Comptroller may file voluntary notices of significant events with the MSRB between the filing dates of Bond Appendices, although there is no assurance that it will continue such voluntary filings at such times or at all in the future.

Event Notices. The Comptroller will also provide notice to the MSRB of any of the following events with respect to the Bonds on a timely basis no later than ten (10) business days after the event: (a) the incurrence of a financial obligation (as defined in the Rule, including certain debt, debt-like, and debt-related obligations) of the State, if material, or an agreement to covenants, events of default, remedies, priority rights, or other similar terms of any such financial obligation, any of which affect security holders, if material; or (b) a default, event of acceleration, termination event, modification of terms, or other similar event under the terms of any such financial obligation of the State, any of which reflect financial difficulties.

The Comptroller will also provide timely notice to the MSRB of its failure to provide information, data, or financial statements in accordance with its Agreement.

Availability of Information

The Authority and the Comptroller have agreed to provide the foregoing financial and operating information and notices only as described above. The Authority and the Comptroller will be required to file their respective continuing disclosure information using the MSRB's EMMA system. Investors will be able to access continuing disclosure information filed with the MSRB free of charge at www.emma.msrb.org.

The quarterly Bond Appendix, if and when filed, the State's ACFR, annual financial and operating information, and event notices, if any, filed by the Comptroller using the MSRB's EMMA system may be obtained by using the EMMA Advanced Search function and entering the term "State of Texas Comptroller" in the Issuer Name field within the Security Information search filter. The most recently prepared Bond Appendix, State ACFR and notices may also be accessed on the Comptroller's website at: <http://www.comptroller.texas.gov/programs/systems/treasury-ops/index.php>.

Limitations and Amendments

The Authority and the Comptroller have agreed to update information and to provide notices of certain specified events only as described above. Neither is responsible for performance of the other's agreement, and neither has agreed to provide other information that may be relevant or material to a complete presentation of the Authority's or the State's financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. Neither makes any representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. Each disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although the holders of the Bonds may seek a writ of mandamus to compel the Authority and the Comptroller to comply with their respective agreements.

The Authority may amend its continuing disclosure agreement to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Authority, but only if (i) the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering thereof in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (ii) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of the Bond Resolution that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (b) a person unaffiliated with the Authority (such as nationally-recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and the beneficial owners of such Bonds. The Authority may also amend or repeal the provisions of its continuing disclosure agreement if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds. If the Authority so amends its agreement, the Authority must provide an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of information and data provided. The Authority will provide such information to the MSRB within 195 days after the end of such fiscal year.

The Comptroller may amend the Agreement to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status or type of operations of the State if (i) the Agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the offering described herein in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (a) the holders of a majority in aggregate principal amount of outstanding Bonds consent to such amendment or (b) a person unaffiliated with the State, the Comptroller, the Bond Review Board and the Authority (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the registered owners of the Bonds. If the Comptroller so amends the Agreement, it has agreed to include with the next financial information and operating data provided in accordance with its agreement described above under "– Continuing Disclosure Undertaking of the Comptroller – Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

NO LITIGATION

There is no litigation, proceeding, inquiry, or investigation pending by or before any court or other governmental authority or entity (or, to the best knowledge of the Authority, threatened) that affects the obligation of the Authority to deliver the Bonds or the validity of the Bonds. The State is a party to various legal proceedings relating to its operation and government functions, but unrelated to the Bonds. See "APPENDIX A – The State of Texas" of this Official Statement. On the Date of Delivery of the Bonds to the Underwriters, the Authority will execute and deliver to the Underwriters a certificate to the effect that no litigation of any nature has been filed or is pending against the Authority, as of that date, to restrain or enjoin the issuance or delivery of the Bonds or that would affect the provisions made for their payment or security, or in any manner questioning the validity of the Bonds.

UNDERWRITING

The Underwriters have agreed, subject to certain conditions, to purchase the Taxable Series 2021A Bonds at a price equal to the initial offering price of the Taxable Series 2021A Bonds shown on page ii of this Official Statement, plus a reoffering premium of \$19,799,490.95 and less an underwriting discount of \$666,162.20. The Underwriters will be obligated to purchase all of the Taxable Series 2021A Bonds if any Taxable Series 2021A Bonds are purchased. The Taxable Series 2021A Bonds to be offered to the public may be offered and sold to certain dealers (including the Underwriters and other dealers depositing Taxable Series 2021A Bonds into investment trusts) at prices lower than the public offering prices of the Taxable Series 2021A Bonds and such public offering prices may be changed, from time to time, by the Underwriters.

The Underwriters have agreed, subject to certain conditions, to purchase the Taxable Series 2021B Bonds at a price equal to the initial offering price of the Taxable Series 2021B Bonds shown on page iii of this Official Statement, plus a reoffering premium of \$29,816,724.05 and less an underwriting discount of \$1,758,193.35. The Underwriters will be obligated to purchase all of the Taxable Series 2021B Bonds if any Taxable Series 2021B Bonds are purchased. The Taxable Series 2021B Bonds to be offered to the public may be offered and sold to certain dealers (including the Underwriters and other dealers depositing Taxable Series 2021B Bonds into investment trusts) at prices lower than the public offering prices of the Taxable Series 2021B Bonds and such public offering prices may be changed, from time to time, by the Underwriters.

The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement pursuant to their respective responsibilities to investors under the federal securities laws, but the Underwriters do not guarantee the accuracy or completeness of such information.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the Underwriters and their respective affiliates have provided, and may in the future provide, a variety of these services to the Authority and to persons and entities with relationships with the Authority, for which they received or will receive customary fees and expenses.

Jefferies LLC ("Jefferies"), one of the Underwriters of the Bonds, has entered into a distribution agreement with InspereX LLC ("InspereX") for the retail distribution of municipal securities. Pursuant to this agreement, if Jefferies sells the Bonds to InspereX, it will share a portion of its selling concession compensation with InspereX.

Piper Sandler & Co., one of the underwriters of the Bonds, has entered into a distribution agreement ("Distribution Agreement") with Charles Schwab & Co., Inc. ("CS&Co") for the retail distribution of certain securities offerings including the Bonds, at the original issue prices. Pursuant to the Distribution Agreement, CS&Co. will purchase Bonds from Piper at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that CS&Co. sells.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer (directly, as collateral securing other obligations or otherwise) and/or

persons and entities with relationships with the Authority. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

FINANCIAL ADVISOR

RBC Capital Markets, LLC is acting as financial advisor to the Authority in connection with the issuance of the Bonds. The financial advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. RBC Capital Markets, LLC, in its capacity as financial advisor, has not verified and does not assume any responsibility for the information, covenants, and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds, or the possible impact of any present, pending, or future actions taken by any legislative or judicial bodies.

The financial advisor has provided the following sentence for inclusion in this Official Statement: The financial advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the Authority and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the financial advisor does not guarantee the accuracy or completeness of such information.

AUTHENTICITY OF FINANCIAL DATA AND OTHER INFORMATION

The financial data and other information contained herein have been obtained from the Authority's records and other sources that are believed to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will be realized. All of the summaries of the statutes, documents, and Bond Resolution contained in this Official Statement are made subject to all of the provisions of such statutes, documents, and Bond Resolution. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. Reference is made to original documents in all respects.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, the Rule.

The Bond Resolution approves the form and content of this Official Statement, and any addenda, supplement or amendment hereto issued on behalf of the Authority, and authorizes its further use in the reoffering of the Bonds by the Underwriters.

This Official Statement has been approved by the Authority for distribution in accordance with the provisions of the Rule.

/s/ Lee Deviney

Lee Deviney

Executive Director

Texas Public Finance Authority

Schedule I

Schedule of Refunded Notes

Taxable Series 2021A Refunded Notes

Texas Public Finance Authority
State of Texas
General Obligation Commercial Paper Notes
Series 2008

Issue Date	Maturity Date	Par Amount
11/03/21	11/23/21	\$59,375,000.00

Taxable Series 2021B Refunded Notes

Texas Public Finance Authority
State of Texas
General Obligation Commercial Paper Notes
(Cancer Prevention and Research Institute of Texas Project)
Series A (Taxable)

Issue Date	Maturity Date	Par Amount
09/28/21	11/23/21	\$87,000,000.00
11/04/21	12/03/21	59,000,000.00
11/09/21	12/02/21	75,000,000.00
11/16/21	12/01/21 ⁽¹⁾	57,400,000.00
11/18/21	11/30/21 ⁽¹⁾	68,900,000.00

⁽¹⁾ Anticipated, subject to change.

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Schedule II

Schedule of Refunded Bonds

Taxable Series 2021A Refunded Bonds

**Texas Public Finance Authority
State of Texas
General Obligation and Refunding Bonds, Series 2011**

Maturity Date	Interest Rate	Principal Amount Refunded	Redemption Date	CUSIP No.⁽¹⁾
10/1/2022	5.000%	\$28,085,000.00	12/20/2021	882722C41
10/1/2023	3.125%	100,000.00	12/20/2021	882722C58
10/1/2023	5.000%	11,010,000.00	12/20/2021	882723X95 ⁽²⁾
10/1/2024	5.000%	4,510,000.00	12/20/2021	882723X20 ⁽²⁾
10/1/2025	5.000%	4,510,000.00	12/20/2021	882723X38 ⁽²⁾
10/1/2026	5.000%	4,510,000.00	12/20/2021	882723X46 ⁽²⁾
10/1/2027	5.000%	4,510,000.00	12/20/2021	882723X53 ⁽²⁾
10/1/2028	5.000%	4,510,000.00	12/20/2021	882723X61 ⁽²⁾
10/1/2029	5.000%	4,510,000.00	12/20/2021	882723X79 ⁽²⁾
10/1/2030	5.000%	4,510,000.00	12/20/2021	882723X87 ⁽²⁾
10/1/2031	4.000%	3,250,000.00	12/20/2021	882722D57

**Texas Public Finance Authority
State of Texas
General Obligation Refunding Bonds, Series 2014A**

Maturity Date	Interest Rate	Principal Amount Refunded	Redemption Date	CUSIP No.⁽¹⁾
10/1/2025	5.000%	\$14,315,000.00	10/1/2024	882723NX3
10/1/2026	5.000%	14,315,000.00	10/1/2024	882723NY1
10/1/2027	5.000%	14,315,000.00	10/1/2024	882723NZ8
10/1/2028	5.000%	14,315,000.00	10/1/2024	882723PA1
10/1/2029	4.000%	14,315,000.00	10/1/2024	882723PB9
10/1/2030	4.000%	14,315,000.00	10/1/2024	882723PC7
10/1/2031	4.000%	14,315,000.00	10/1/2024	882723PD5
10/1/2032	4.000%	9,770,000.00	10/1/2024	882723PE3
10/1/2033	4.000%	5,770,000.00	10/1/2024	882723PF0

⁽¹⁾ CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. None of the Authority, the Financial Advisor, or the Underwriters shall be responsible for the selection or the correctness of the CUSIP numbers shown herein.

⁽²⁾ This maturity was partially refunded by the State of Texas General Obligation Refunding Bonds, Series 2016. The CUSIP number identifier is for the unrefunded balance.

Taxable Series 2021B Refunded Bonds

**Texas Public Finance Authority
State of Texas
General Obligation Refunding Bonds, Series 2014B**

Maturity Date	Interest Rate	Principal Amount Refunded	Redemption Date	CUSIP No. ⁽¹⁾
10/1/2025	3.293%	\$12,460,000.00	10/1/2024	882723PT0
10/1/2026	3.423%	12,460,000.00	10/1/2024	882723PU7
10/1/2027	3.573%	12,460,000.00	10/1/2024	882723PV5
10/1/2028	3.663%	12,460,000.00	10/1/2024	882723PW3
10/1/2029	3.693%	12,460,000.00	10/1/2024	882723PX1
10/1/2030	3.858%	12,460,000.00	10/1/2024	882723PY9
10/1/2031	3.908%	12,460,000.00	10/1/2024	882723PZ6
10/1/2032	3.958%	12,460,000.00	10/1/2024	882723QA0
10/1/2033	4.008%	8,980,000.00	10/1/2024	882723QB8

¹ CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. None of the Authority, the Financial Advisor, or the Underwriters shall be responsible for the selection or the correctness of the CUSIP numbers shown herein.

APPENDIX A

THE STATE OF TEXAS

As described in this Official Statement under "CONTINUING DISCLOSURE OF INFORMATION – Continuing Disclosure Undertaking of the Comptroller," the Texas Comptroller of Public Accounts (the "Comptroller") is required to file updated annual financial and operating data, audited financial statements of the State when received, and timely notice of certain events with the MSRB, and the Comptroller voluntarily files quarterly Bond Appendices and occasional notices of significant events.

This Official Statement hereby incorporates by reference the previously filed documents listed below, except for any information superseded by information that is included directly in this Official Statement or incorporated by reference in a subsequent document, as well as any future filings that the Comptroller makes with the MSRB through EMMA prior to the termination of the offering of the Bonds under this Official Statement:

- (i) State of Texas Comprehensive Annual Financial Report for the fiscal year ended August 31, 2020;
- (ii) Appendix A: The State of Texas (November 2021); and
- (iii) Each notice, if any, filed with the MSRB by the Comptroller since the end of the fiscal year of the State addressed in the foregoing State of Texas Comprehensive Annual Financial Report.

These documents and any subsequently filed documents, if any, may be obtained by accessing EMMA at <https://emma.msrb.org/>, using the EMMA Advanced Search function and entering the term "State of Texas Comptroller" in the Issuer Name field within the Security Information search filter. The documents may also be accessed on the Comptroller's website at <https://comptroller.texas.gov/programs/systems/treasury-ops/index.php>. For further information, see "CONTINUING DISCLOSURE OF INFORMATION – Continuing Disclosure Undertaking of the Comptroller" in this Official Statement.

Information in the Bond Appendix, State ACFR, and any notice incorporated herein by reference is provided as of the date specified in the document. No representation is made that such documents contain all facts material to an evaluation of the ability of the State to pay principal of and interest on the Bonds when due, or the value of the Bonds, or that any specific information should be accorded any particular significance.

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APPENDIX B

FORMS OF BOND COUNSEL OPINIONS

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November 18, 2021

Norton Rose Fulbright US LLP
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United States

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TEXAS PUBLIC FINANCE AUTHORITY

\$249,800,000
State of Texas
General Obligation and Refunding Bonds,
Taxable Series 2021A

IN REGARD to the authorization and issuance of the captioned bonds, dated November 18, 2021 (the “Bonds”), we have examined into their issuance by the Texas Public Finance Authority (the “Authority”), solely to express legal opinions as to the validity of the Bonds, the defeasance and discharge of the Authority’s outstanding obligations being refunded by the Bonds, and for no other purpose. We have not been requested to investigate or verify, and we neither expressly nor by implication render herein any opinion concerning, the financial condition or capabilities of the Authority, the disclosure of any financial or statistical information or data pertaining to the Authority and used in the sale of the Bonds, or the sufficiency of the security for or the value or marketability of the Bonds.

THE BONDS are issued in fully registered form only, and are in denominations of \$5,000 or any integral multiple thereof (within a maturity). The Bonds mature on October 1 in each of the years specified in the Pricing Committee’s pricing certificate (the “Pricing Certificate”) executed pursuant to a resolution adopted by the Authority authorizing the issuance of the Bonds (the “Resolution” and, jointly with the Pricing Certificate, the “Bond Resolution”), unless redeemed prior to maturity in accordance with the terms stated on the Bonds. The Bonds accrue interest from the date, at the rates, and in the manner and interest is payable on the dates, all as provided in the Bond Resolution. Terms used herein and not otherwise defined shall have the meaning given in the Bond Resolution.

IN RENDERING THE OPINIONS herein we have examined and rely upon (i) original or certified copies of the proceedings of the Authority in connection with the issuance of the Bonds, including (a) the Bond Resolution, (b) the Escrow Agreement (the “Escrow Agreement”) between the Authority and Texas Treasury Safekeeping Trust Company (the “Escrow Agent”), and (c) a special report (the “Verification Report”) of Robert Thomas CPA, LLC, (ii) certifications and opinions of officers of the Authority relating to the expected use and investment of proceeds of the sale of the Bonds and certain other funds of the Authority and to certain other facts within the knowledge and control of the Authority, and (iii) such other documentation, including an examination of the Bond executed and delivered initially by the Authority (which we found to be in due form and properly executed), and such matters of law as we deem relevant to the matters discussed below. In such examinations, we have assumed the authenticity of all documents submitted to us as originals, the conformity to original copies of all documents submitted to us as certified copies and the accuracy of the statements and information contained in such certificates.

Norton Rose Fulbright US LLP is a limited liability partnership registered under the laws of Texas.

Norton Rose Fulbright US LLP, Norton Rose Fulbright LLP, Norton Rose Fulbright Australia, Norton Rose Fulbright Canada LLP and Norton Rose Fulbright South Africa Inc are separate legal entities and all of them are members of Norton Rose Fulbright Verein, a Swiss veren. Norton Rose Fulbright Verein helps coordinate the activities of the members but does not itself provide legal services to clients. Details of each entity, with certain regulatory information, are available at nortonrosefulbright.com

Re: "Texas Public Finance Authority State of Texas General Obligation and Refunding Bonds, Taxable Series 2021A"

BASED ON OUR EXAMINATIONS, IT IS OUR OPINION that, under the applicable laws of the United States of America and the State of Texas, in force and effect on the date hereof:

1. The Bonds constitute valid, legally binding and enforceable general obligations of the State.
2. The Bonds have been authorized and issued in accordance with the Constitution and laws of the State and are payable from funds made available for such purpose pursuant to the Constitutional Provision (as such term is defined in the Bond Resolution). The Constitutional Provision provides for a continuing appropriation for such purpose from the first money coming into the State Treasury in each fiscal year, not otherwise appropriated by the Constitution of the State, in an amount that is sufficient to pay the principal of and interest on Bonds that mature or become due during that fiscal year, less the amount in the sinking fund at the close of the previous fiscal year.
3. The Escrow Agreement has been duly authorized, executed and delivered and is a binding and enforceable agreement in accordance with its terms and the Refunded Obligations have been defeased and are regarded as being outstanding only for the purpose of receiving payment from the funds held by the Escrow Agent for such purposes, pursuant to the Escrow Agreement and in accordance with the provisions of Texas Government Code, Chapter 1207, as amended. In rendering this opinion, we have relied upon the Verification Report as to the sufficiency of cash and investments deposited with the Escrow Agent pursuant to the Escrow Agreement for the purposes of paying the Refunded Obligations and the interest thereon.

THE RIGHTS OF THE OWNERS of the Bonds and the enforceability of the Escrow Agreement are subject to the applicable provisions of the federal bankruptcy laws and any other similar laws affecting the rights of creditors of political subdivisions generally, and may be limited by general principles of equity which permit the exercise of judicial discretion.

OUR OPINIONS ARE BASED on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

November 18, 2021

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TEXAS PUBLIC FINANCE AUTHORITY

\$582,315,000
State of Texas
General Obligation and Refunding Bonds,
Taxable Series 2021B

IN REGARD to the authorization and issuance of the captioned bonds, dated November 18, 2021 (the "Bonds"), we have examined into their issuance by the Texas Public Finance Authority (the "Authority"), solely to express legal opinions as to the validity of the Bonds, the defeasance and discharge of the Authority's outstanding obligations being refunded by the Bonds, and for no other purpose. We have not been requested to investigate or verify, and we neither expressly nor by implication render herein any opinion concerning, the financial condition or capabilities of the Authority, the disclosure of any financial or statistical information or data pertaining to the Authority and used in the sale of the Bonds, or the sufficiency of the security for or the value or marketability of the Bonds.

THE BONDS are issued in fully registered form only, and are in denominations of \$5,000 or any integral multiple thereof (within a maturity). The Bonds mature on October 1 in each of the years specified in the Pricing Committee's pricing certificate (the "Pricing Certificate") executed pursuant to a resolution adopted by the Authority authorizing the issuance of the Bonds (the "Resolution" and, jointly with the Pricing Certificate, the "Bond Resolution"), unless redeemed prior to maturity in accordance with the terms stated on the Bonds. The Bonds accrue interest from the date, at the rates, and in the manner and interest is payable on the dates, all as provided in the Bond Resolution. Terms used herein and not otherwise defined shall have the meaning given in the Bond Resolution.

IN RENDERING THE OPINIONS herein we have examined and rely upon (i) original or certified copies of the proceedings of the Authority in connection with the issuance of the Bonds, including (a) the Bond Resolution, (b) the Escrow Agreement (the "Escrow Agreement") between the Authority and Texas Treasury Safekeeping Trust Company (the "Escrow Agent"), and (c) a special report (the "Verification Report") of Robert Thomas CPA, LLC, (ii) certifications and opinions of officers of the Authority relating to the expected use and investment of proceeds of the sale of the Bonds and certain other funds of the Authority and to certain other facts within the knowledge and control of the Authority, and (iii) such other documentation, including an examination of the Bond executed and delivered initially by the Authority (which we found to be in due form and properly executed), and such matters of law as we deem relevant to the matters discussed below. In such examinations, we have assumed the authenticity of all documents submitted to us as originals, the conformity to original copies of all documents submitted to us as certified copies and the accuracy of the statements and information contained in such certificates.

Norton Rose Fulbright US LLP is a limited liability partnership registered under the laws of Texas.

Norton Rose Fulbright US LLP, Norton Rose Fulbright LLP, Norton Rose Fulbright Australia, Norton Rose Fulbright Canada LLP and Norton Rose Fulbright South Africa Inc are separate legal entities and all of them are members of Norton Rose Fulbright Verein, a Swiss veren. Norton Rose Fulbright Verein helps coordinate the activities of the members but does not itself provide legal services to clients. Details of each entity, with certain regulatory information, are available at nortonrosefulbright.com

Re: "Texas Public Finance Authority State of Texas General Obligation and Refunding Bonds, Taxable Series 2021B"

BASED ON OUR EXAMINATIONS, IT IS OUR OPINION that, under the applicable laws of the United States of America and the State of Texas, in force and effect on the date hereof:

1. The Bonds constitute valid, legally binding and enforceable general obligations of the State.
2. The Bonds have been authorized and issued in accordance with the Constitution and laws of the State and are payable from funds made available for such purpose pursuant to the Constitutional Provision (as such term is defined in the Bond Resolution). The Constitutional Provision provides for a continuing appropriation for such purpose from the first money coming into the State Treasury in each fiscal year, not otherwise appropriated by the Constitution of the State, in an amount that is sufficient to pay the principal of and interest on Bonds that mature or become due during that fiscal year, less the amount in the sinking fund at the close of the previous fiscal year.
3. The Escrow Agreement has been duly authorized, executed and delivered and is a binding and enforceable agreement in accordance with its terms and the Refunded Obligations have been defeased and are regarded as being outstanding only for the purpose of receiving payment from the funds held by the Escrow Agent for such purposes, pursuant to the Escrow Agreement and in accordance with the provisions of Texas Government Code, Chapter 1207, as amended. In rendering this opinion, we have relied upon the Verification Report as to the sufficiency of cash and investments deposited with the Escrow Agent pursuant to the Escrow Agreement for the purposes of paying the Refunded Obligations and the interest thereon.

THE RIGHTS OF THE OWNERS of the Bonds and the enforceability of the Escrow Agreement are subject to the applicable provisions of the federal bankruptcy laws and any other similar laws affecting the rights of creditors of political subdivisions generally, and may be limited by general principles of equity which permit the exercise of judicial discretion.

OUR OPINIONS ARE BASED on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

APPENDIX C

BOOK-ENTRY-ONLY SYSTEM

This Appendix C describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by DTC while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The Authority, the Financial Advisor and the Underwriters believe the source of such information to be reliable, but take no responsibility for the accuracy or completeness thereof and such information is not to be construed as a representation by any of the Authority, the Financial Advisor or the Underwriters.

The Authority and the Underwriters cannot and do not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the United States Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Bond will be issued for each maturity of the Bonds, as set forth on the inside of the cover page hereof, in the aggregate principal amount of such maturity and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+". The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee

do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Paying Agent/Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the Record Date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

All payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Paying Agent/Registrar on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent/Registrar, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. All payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) are the responsibility of the Commission or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Authority or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

Use of Certain Terms in the Official Statement. In reading the Official Statement it should be understood that while the Bonds are in the Book-Entry-Only System, references in the Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Bonds, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System, and (ii) except as described above, notices that are to be given to registered owners under the Bond Resolution will be given only to DTC.

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