

**Second Amendment to Liquidity Agreement Dated June 1, 2016  
Relating to the Texas Public Finance Authority  
Revenue Commercial Paper Note Program  
Texas Facilities Commission Projects  
Series 2016A (Taxable) and Series 2016B (Tax-Exempt)**

This Second Amendment to the Liquidity Agreement dated June 1, 2016, for the Texas Public Finance Authority Revenue Commercial Paper Note Program Texas Facilities Commission Projects Series 2016A (Taxable) and Series 2016B (Tax-Exempt) (the "Amendment") is executed by and between the Texas Public Finance Authority (the "Authority") and the Texas Comptroller of Public Accounts (the "Liquidity Provider").

**RECITALS:**

WHEREAS, the Authority entered into a Liquidity Agreement with the Liquidity Provider dated as of June 1, 2016, (the "Liquidity Agreement") pursuant to which the Liquidity Provider agreed to provide liquidity for those certain Texas Public Finance Authority Revenue Commercial Paper Note Program Texas Facilities Commission Projects Series 2016A (Taxable) and Series 2016B (Tax-Exempt) (the "Notes") issued from time to time pursuant to a resolution of the Authority titled, "A Resolution Establishing a Commercial Paper Program to Finance or Refinance Construction and Equipment of Building Projects for the Texas Facilities Commission; Authorizing the Issuance of Commercial Paper Revenue Notes to Finance or Refinance Construction and Equipment of Building Projects for the Texas Facilities Commission; Approving a Liquidity Agreement, Dealer Agreement, Lease Agreement and Issuing and Paying Agency Agreement; Authorizing the Sale and Delivery of the Notes, Approving an Offering Memorandum and the Distribution Thereof; Approving the Execution and Delivery of Documents in Connection Therewith; and Resolving Related Matters," adopted by the Board of Directors of the Authority on May 5, 2016, as such Resolution may from time to time be amended, modified or supplemented with the consent of the Liquidity Provider;

WHEREAS, the Liquidity Agreement was amended by a First Amendment, effective September 1, 2017, through August 31, 2018; and amended the definition of "Final Date;" and Section 5(B) "Conditions Precedent to Disbursement of Funds;" and

WHEREAS, the Liquidity Agreement will expire on August 31, 2018, unless it is extended; and

WHEREAS, pursuant to Section 11.E. of the Liquidity Agreement, the Authority has requested that the Liquidity Agreement be extended from September 1, 2018, to August 31, 2019, subject to the remaining terms and conditions of the Liquidity Agreement; and

WHEREAS, the Liquidity Provider has agreed to extend the Liquidity Agreement to August 31, 2019;

NOW THEREFORE, in consideration of the mutual covenants, agreements and representations set forth herein the parties hereto agree as follows (all capitalized terms not defined in this Amendment shall have the same meaning as set forth in the Liquidity Agreement):

1. The Liquidity Agreement is hereby amended as follows:
  - a. The definition of the term "Final Date" shall be deleted and replaced with the following:

"Final Date" means the earlier of (i) August 31, 2019, which may be extended from time to time or (ii) such earlier date upon which the whole of the Commitment is terminated pursuant to Subsection 3.E, Section 10, or otherwise, or (iii) this Agreement and the Liquidity Provider are replaced by an alternate liquidity agreement and an Alternate Liquidity Provider.
  - b. The definition of the term "Commitment" shall be deleted and replaced with the following:

"Commitment" means \$75,000,000 plus 270 days interest thereon at the Maximum Interest Rate per annum, on an actual/365 (or 366) day year basis subject to reduction from time to time pursuant to Subsection 3.A, Subsection 3.E or Section 10 and reinstatement in accordance with Subsection 3.A.
  - c. The definition of the term "Daily Commitment" shall be deleted and replaced with the following:

"Daily Commitment" means \$75,000,000 plus 270 days interest thereon at the Maximum Interest Rate per annum, on an actual/365 (or 366) day year basis.
2. In order to induce the Liquidity Provider to consent to, and to enter into this Amendment, the Authority makes the following representations and warranties to the Liquidity Provider:
  - a. No Default or Event of Default has occurred under the terms of the Liquidity Agreement or the Transaction Documents and the Authority is in full compliance with all of the terms, conditions and requirements thereof.
  - b. Except as set forth herein, the Commitment as stated in the Liquidity Agreement has not been reduced pursuant to Sections 3.A. or 3.E. thereof.
  - c. The aggregate Maturity Value of the Notes Outstanding as of the date hereof is \$37,000,000.
  - d. All of the conditions precedent set forth in Section 5.C. of the Liquidity Agreement were met at the time of the issuance of each of the Outstanding Notes.


- e. No Notice of Draw under Section 3.B. of the Liquidity Agreement has been given by the Authority or by the Issuing and Paying Agent on its behalf.
  - f. The Authority has notified the Liquidity Provider of all substitutions or changes in either the Issuing and Paying Agent or the Dealer as named in the Resolution. The current Issuing and Paying Agent and Dealer under the Resolution are as follows:

Issuing and Paying Agent: US BANK, New York, New York  
Dealer: Morgan Stanley & Co. L.L.C.
  - g. The Authority has paid all fees required to be paid by it under the terms of the Liquidity Agreement and invoiced through the date hereof.
  - h. The representations and warranties of the Authority as set forth in Section 6 of the Liquidity Agreement were true and correct when made, and the Authority hereby makes all of the representations and warranties contained in said Section 6 as of the date hereof and with respect to the execution and delivery of this Amendment so that references to this Agreement in said section shall refer to this Amendment as well as the Liquidity Agreement.
  - i. The Authority has complied fully with all of the Affirmative Covenants set forth in Section 7 of the Liquidity Agreement through the date of the execution of this Amendment and will continue to comply therewith, and the Authority has not violated any of the Negative Covenants set forth in Section 8 of the Liquidity Agreement.
  - j. The Transaction Documents, except as amended and restated or modified as stated herein, have not been amended or modified nor have any of the terms or provisions been waived or released.
3. The Authority and the Liquidity Provider agree that, except as amended or modified by this Second Amendment and the First Amendment, the Liquidity Agreement has not been amended and/or modified, nor have any of the terms or provisions contained therein been waived or released, and the parties hereto do hereby ratify, adopt and confirm all of the terms, provisions and agreements set forth in the Liquidity Agreement as amended by the First Amendment and this Second Amendment, and agree that the same are and shall remain in full force and effect.

This Second Amendment to the Liquidity Agreement is executed this 23<sup>rd</sup> day of May 2018, and is effective as of September 1, 2018.

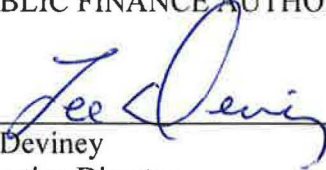
TEXAS COMPTROLLER OF PUBLIC ACCOUNTS  
Liquidity Provider

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

  
Mike Reissig  
Deputy Comptroller

TEXAS PUBLIC FINANCE AUTHORITY

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

  
Lee Deviney  
Executive Director