



TEXAS VETERANS LAND BOARD

SPECIAL CALLED MEETING

November 12, 2024

The Honorable Dawn Buckingham, M.D

Chair

Mr. James Rothfelder

Member

RDML (Ret.) Judson Scott

Member

Tony Dale

Executive Secretary



David Little

VLB Chaplain of the Day



David Little has a varied background vocationally and personally. He has been a lawyer, a Marine, and a Chaplain. He is married and is the father of 4 children.

David attended the University of Texas for undergraduate studies and law school, graduating in 1989 with a history degree, and in 1992 with a Doctor of Jurisprudence. He was a Marine Judge Advocate from 1993-1996.

David was commissioned in the United States Marine Corps in 1991 reaching the rank of Lieutenant Colonel.

While serving as a Marine Judge Advocate, he defended more than 100 Marines before courts-martial and administrative discharge hearings. He also commanded an infantry company in the Reserves, Weapons Company 1/23 from 1999-2000. In 2005, David was recalled to active duty in support of Operation Iraqi Freedom and deployed to Iraq as an operational lawyer with the 2d Marine Division in the western Al Anbar province.

As a result of complications from a stroke, David left the U.S. Marine Corps in 2016. The stroke that hit David in 2008 changed his view and his perspective. While still practicing law part-time, he went to seminary, achieving a Master of Divinity at Logsdon Seminary in San Antonio in 2017, and a Doctor of Ministry program in 2023. He also did a Clinical Pastoral Education Residency as a Chaplain in 2018-2019 at the San Antonio VA Medical Center.

David runs his own Law Firm D.E. Little Law Firm, PLLC, in Dripping Springs TX.





TEXAS VETERANS LAND BOARD
SPECIAL CALLED MEETING
Tuesday, July 30, 2024, 10:00 a.m.
1700 Congress Avenue, Room 170, Austin, TX 78701

1. Opening

- a. Chairwoman Dawn Buckingham M.D. called the meeting to order at 10:00 A.M.
- b. The Chair declared a quorum present.

Members present were:

Chairwoman Dawn Buckingham M.D.
Board Member James Rothfelder
Board Member Judson Scott

Also present:

Executive Secretary Tony Dale

Assistant Executive Secretary Darren Fitz Gerald

- c. Invocation was led by Chaplain Lead Pastor Chris Plekenpol.
 - d. The Chair led the Pledge of Allegiance to the U.S. and Texas flags.
 - i. Presentation to Chaplain by the Board of a flag flown over the Alamo in honor of her contributions to veterans.
2. Approval of the minutes from the regular Board meeting of June 25, 2024. Approved with no objections.
3. Citizen Communications. No members of the public testified during citizen communications.
4. Chair and Board Member Opening Comments. No comments were made.
5. Veterans Land Board Bond Funds Management.
- a. Quarterly Veterans Land, Housing and Home Improvement Program Production Update for Fiscal Year 2024 3rd Quarter. This is a non-action item, there for no vote is required.
 - b. Consideration and possible action on delegation of authority to the Executive Secretary to adjust resident room rates to match changes in State Home Per Diem Program and other related matters. Motion was made by Mr. Scott and seconded by Mr. Rothfelder, to approve, according to staff recommendations. The motion carried unanimously.

6. Veterans Land Board and Housing

- a. Consideration and possible action to set aside bids received from the Online Bidding Forfeited Land Sale held July 18, 2024, on any tract where the account holder is making an appeal. No appeals were made so this became a non-action item, there for no vote is required.
- b. Consideration and possible action to accept and award all qualified high bids received from the Online Bidding Forfeited Land Sale held July 18, 2024. Motion was made by Mr. Scott and seconded by Mr. Rothfelder, to approve, according to staff recommendations. The motion carried unanimously.
- c. Consideration and possible action on request to forfeit VLB delinquent land accounts and accounts involved in tax suits. Motion was made by Mr. Scott and seconded by Mr. Rothfelder, to approve, according to staff recommendations. The motion carried unanimously.
- d. Consideration and possible action on request to Order for Sale land tracts that may be included in the next Online Bidding Forfeited Land Sale and to set the next Quarterly Electronic Forfeited Land Sale bidding period to begin September 3, 2024, through October 17, 2024. Motion was made by Mr. Rothfelder and seconded by Mr. Scott, to approve, according to staff recommendations. The motion carried unanimously.

7. Texas State Veterans Cemeteries

- a. Report on cemetery operations. This is a non-action item, there for no vote is required.
- b. Consideration and possible action on delegation of authority to the Executive Secretary to execute a contract related to engineering services, design, and related matters for the expansion of the Central Texas State Veterans Cemetery in Killeen. Motion was made by Mr. Scott and seconded by Mr. Rothfelder, to approve, according to staff recommendations. The motion carried unanimously.
- c. Consideration and possible action on delegation of authority to the Executive Secretary to execute contracts for the management and operations of the Texas State Veterans Cemetery in Abilene, the Central Texas State Veterans Cemetery in Killeen, the Rio Grande Valley State Veterans Cemetery in Mission, the Coastal Bend State Veterans Cemetery in Corpus Christi, and the West Texas State Veterans Cemetery in Lubbock. Motion was made by Mr. Scott and seconded by Mr. Rothfelder, to approve, according to staff recommendations. The motion carried unanimously.

8. Texas State Veterans Homes

- a. Report on State Veterans Homes Operations. This is a non-action item, there for no vote is required.

9. Legal Services

- a. Consideration and possible action to delegate authority to the Executive Secretary on granting an easement to the City of Lubbock to maintain a water line on West Texas State Veterans Cemetery property. Motion was made by Mr. Rothfelder and seconded by Mr. Scott, to approve, according to staff recommendations. The motion carried unanimously.
- b. Consideration and possible action on a request to assign financial services related to swap transactions under a contract with Stifel, Nicolaus & Company, Inc. Motion was made by Mr. Scott and seconded by Mr. Rothfelder, to approve, according to staff recommendations. The motion carried unanimously.
- c. Consideration and possible action on the final adoption of the proposed amendment to the Texas Administrative Code, Title 40, Part 5, Chapter 175, Subchapter B, §175.72. Motion was made by Mr. Scott and seconded by Mr. Rothfelder, to approve, according to staff recommendations. The motion carried unanimously.
- d. Consideration and possible action on the maximum loan amount for qualified dual spouse veterans related to the land loan program. Motion was made by Mr. Scott and seconded by Mr. Rothfelder, to approve, according to staff recommendations. The motion carried unanimously.

10. Construction Services Update

- a. Report on Construction Services. This is a non-action item, there for no vote is required.

11. Executive Security Report.

- a. Consideration and possible action on a resolution authorizing the transfer of Veterans Land Board funds to the General Land Office for direct and indirect administration expenses for FY 25. Motion was made by Mr. Scott and seconded by Mr. Rothfelder, to approve, according to staff recommendations. The item carried unanimously.
- b. Report on Veterans Land Board Operations. This is a non-action item, there for no vote is required.

II. EXECUTIVE SESSION 11:00 A.M. – 11:22 A.M.

In accordance with Chapter 551, Government Code, the Texas Veteran Land Board convened in Executive Session pursuant to the following provisions of the Texas Open Meetings Act, Chapter 551, of the Texas Government Code:

- a. Section 551.071 - Consultation with attorney regarding issues concerning construction and warranty at the Richard A. Anderson Texas State Veterans Home in Houston, Texas.
- b. Section 551.071 - Consultation with attorney regarding issues concerning construction at the Tuskegee Airmen Texas State Veterans Home in Fort Worth, Texas.

III. RECONVENE REGULAR AGENDA 11:23 A.M.

12. Consider Action, If Any, On Items Discussed in Executive Session. There were no action items.
13. Chair and Board Member Closing Comments. No comments were made.
14. Adjournment. 11:24 A.M.

ATTEST:**APPROVED:**

Anthony Dale
Executive Secretary

James Rothfelder
Board Member



MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: November 12, 2024

To: Dawn Buckingham, M.D., Chairwoman
James Rothfelder, Member
Judson Scott, Member

From: Tony Dale, Executive Secretary

Subject: Agenda Item 5 – Presentation by Texas Workforce Commission of “We Hire Veterans” designation for the General Land Office and Texas Veterans Land Board.

RECOMMENDATION: This agenda item requires no action from the Board.

On September 24, 2024, the Texas Workforce Commission recognized the Texas General Land Office and Texas Veterans Land Board with the “We Hire Vets” designation. “We Hire Vets” is an employer recognition program developed by the Texas Workforce Commission (TWC) in 2017. The program recognizes Texas employers for their commitment to hiring veterans. Employers whose workforce is composed of at least 10 percent military veterans are eligible to receive the designation.

The General Land Office workforce is 13% Veterans. The VLB workforce is 39% Veterans.

Texas is home to the largest population of living Veterans. About 5% of Texans are veterans. Nationwide about 6.2% of the adult population are Veterans of the Armed Forces (about 18.2 million). About 0.4% of the U.S. population is actively serving in the military. This means there are roughly 1.4 million active-duty personnel around the globe.

“We Hire Vets” is a component of TWC’s Texas Operation Welcome Home initiative. Texas Operation Welcome Home is a program designed to better meet the needs of Transitioning Service Members, recently separated Veterans, and Military Spouses in the State of Texas.



Texas Workforce Commission
www.twc.texas.gov



Texas Veterans Commission
www.tvc.texas.gov

September 24, 2024

We Hire Vets Employer Recognition Program

Texas General Land Office,

On behalf of the Texas Workforce Commission and the Texas Veterans Commission, we want to thank you for participating in the “We Hire Vets” employer recognition program. We commend you on taking the initiative to hire our nation’s heroes.

It is estimated that there are 1.5 million veterans in Texas, and these veterans bring valued traits to employers. We know that veterans are hardworking, motivated, and disciplined team members that will bolster any employer’s business.

Our agencies offer many programs and services that focus on veterans, their families, and growing the State of Texas workforce. Some of the highlighted programs include Texas Operation Welcome Home, Hiring Red, White & You, Military Family Support Program, and more. We owe so much to our service members and their families who help protect our freedom. We will continue to prioritize support for our veterans.

Thank you again for hiring veterans and registering in the “We Hire Vets” program!

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Esparza".

Joe Esparza
Commissioner Representing Employers
Texas Workforce Commission

A handwritten signature in black ink, appearing to read "Laura Koerner".

Laura Koerner
Chairwoman
Texas Veterans Commission





MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: November 12, 2024

To: Dawn Buckingham, M.D., Chairwoman
Judson Scott, Member
James Rothfelder, Member

From: Kelly McBride, Director of Contract Management

Through: Tony Dale, VLB Executive Secretary
Jennifer Jones, Chief Clerk
Jeff Gordon, General Counsel

Subject: Agenda Item 6 a - Presentation and discussion on the Annual Report of VLB Contracts & Major Contracts

The Veterans Land Board (the “Board”) approved the “VLB Policy on Review and Approval of Major Contracts” to address recommendations imposed by the Sunset Commission. This policy requires any contracts for goods or services between the Board and a vendor, valued at \$1 million or more (“Major”), to be approved by the Board. All contracts under \$1 million are administratively administered by the Texas General Land Office.

The Contract Management Division (“CMD”) of the Texas General Land Office is responsible for managing the Board’s contracts. CMD uses a Contract Lifecycle Management software for the day-to-day development and management of all contracts, including those of the Board. The development and management of the Board’s contracts are administered in the same manner as GLO administered Board contracts.

CMD provides an annual report to the Board regarding the status of all Board contracts. The attached report provides details of the Board’s contracts, including:

- 72 Executed Contracts
- 32 of the Board’s contract are designated as Major Contracts; and
- 20 Major Contracts will expire during FY25 & FY26

Staff will be available to answer any questions if additional information is needed.

Major Contracts

Contract Number	Company Name	Designation	Contract Description	Effective Date	Expiration Date	Expiring*	Action Being Taken
23-016-003-E340	Rymar Construction, Inc.	VLB - Major	Tyler TSVH - HVAC Upgrades	10/24/2023	11/15/2024	*	
23-016-001-D716	Falkenberg Construction Co., Inc	VLB - Major	Big Spring, Bonham, Temple & Floresville TSVH - HVAC upgrades	11/03/2023	04/05/2025	*	
23-016-001-E366	Falkenberg Construction Co., Inc	VLB - Major	Houston & McAllen TSVH - HVAC Upgrades	10/31/2023	04/21/2025	*	
22-076-000-D190	Texas VSI, LLC	VLB - Major	EI Paso TSVH - Management & Operations	06/01/2022	05/31/2025	*	
22-077-000-D191	Texas VSI, LLC	VLB - Major	Tyler TSVH - Management & Operations	06/01/2022	05/31/2025	*	
20-083-000-C002	Bartlett Cocke General Contractors, LLC	VLB - Major	Fort Worth TSVH - Construction Vet Home	11/14/2019	06/22/2025	*	
24-007-000-D908	Emerson Construction Company, Inc.	VLB - Major	Corpus Christi TSVC - Columbarium and Crypt field Exp	11/03/2023	06/26/2025	*	
23-002-000-C953	Touchstone Veterans Management, LTD.	VLB - Major	Big Spring TSVH - Management & Operations	09/01/2022	08/31/2025	*	
23-001-000-C952	Touchstone Veterans Management, LTD.	VLB - Major	McAllen TSVH - Management & Operations	09/01/2022	08/31/2025	*	
20-049-000-B825	Care Inns of Texas - Temple, LTD	VLB - Major	Temple TSVH - Management & Operations	11/01/2019	08/31/2025	*	
23-009-000-D472	Care Inns of Texas, LTD.	VLB - Major	Floresville TSVH - Management & Operations	09/01/2022	08/31/2025	*	
24-057-000-E115	Direct Supply Inc.	VLB - Major	Ft. Worth TSVC - Furniture Package & Install	03/12/2024	08/31/2025	*	
22-075-000-D189	Texas VSI, LLC	VLB - Major	Bonham TSVH - Management & Operations	06/01/2022	08/31/2025	*	
23-063-000-D797	Texas VSI, LLC	VLB - Major	Houston TSVH - Management & Operations	02/01/2023	08/31/2025	*	
23-016-004-E367	F.H. Paschen, S.N. Nielsen & Associates LLC	VLB - Major	Amarillo & El Paso TSVH - HVAC Upgrades	11/01/2023	09/24/2025	*	
24-128-000-E452	City of Killeen	VLB - Major	Killeen TSVC - Management & Operation	02/05/2024	09/30/2025	*	
24-018-000-D981	Emerson Construction Company, Inc.	VLB - Major	West Texas TSVC - Construction of Cemetery in Lubbock	11/03/2023	11/09/2025	*	
21-048-000-C605	Corelogic Credco, LLC	VLB - Major	Credit Reporting Services	12/13/2021	12/13/2025	*	Item on Board Agenda for consideration
22-004-047-D966	Baeza Engineering, PLLC	VLB - Major	Lubbock TSVC - Eng. & Dsg - Phase 1	03/31/2023	04/30/2026	*	
23-027-000-D644	Texas VSI, LLC	VLB - Major	Fort Worth TSVH - Management & Operations	08/08/2023	08/31/2026	*	
21-111-000-C750	Nueces County	VLB - Major	Coastal Bend TSVC - Management & Operations	10/01/2021	09/30/2026		
22-015-000-D019	MeridianLink, Inc.	VLB - Major	Loan Origination System Land & Housing Loan Prog.	12/22/2021	12/22/2026		
22-008-000-C938	Omnicare Pharmacy of Texas 1, LP	VLB - Major	Pharmacy Services for the Texas State Veterans Homes	11/01/2021	08/31/2027		
25-004-000-E513	Texas VSI, LLC	VLB - Major	Amarillo TSVH - Management & Operations	09/01/2024	08/31/2027		
17-455-000-A581	Gateway First Bank	VLB - Major	Admin of VHAP Loan Originations and VHIP Servicing	07/01/2017	08/31/2027		
17-458-000-A585	Nationstar Mortgage LLC	VLB - Major	Administrator - VHAP and VHIP Master Servicing	07/01/2017	08/31/2027		
07-325-000-1082	Dovenmuehle Mortgage, Inc.	VLB - Major	VLB Loan Servicing for Land	03/22/2007	11/30/2027		
08-121-000-1263	Dovenmuehle Mortgage, Inc.	VLB - Major	VLB Loan Servicing for Mortgages	12/01/2007	08/31/2028		
24-019-000-E003	Bracewell LLP	VLB - Major	VLB Bonds - Outside Counsel Services	09/01/2023	08/31/2028		
24-010-000-D924	Stifel, Nicolaus & Company, Incorporated	VLB - Major	VLB Bonds - Financial Advisory Services	12/05/2023	09/30/2028		
24-081-000-E326	City of Abilene	VLB - Major	Abilene TSVC - Management & Operation	09/28/2023	09/30/2028		
25-019-000-E744	City of Mission	VLB - Major	Rio Grande Valley TSVC - Management & Operations	10/01/2024	09/30/2029		

Minor Contracts

Contract Number	Company Name	Designation	Contract Description	Effective Date	Expiration Date	Expiring*	Action Being Taken
17-282-000-A261	Constellation Mortgage Solutions Inc	VLB - Minor	Loan Origination System Land and Housing Loan Program	04/27/2017	10/31/2024	*	
23-016-004-E671	F.H. Paschen, S.N. Nielsen & Associates LLC	VLB - Minor	Amarillo TSVH - Construction of Storage Bldg.	08/28/2024	12/15/2024	*	
22-004-040-E593	IMEG Corp	VLB - Minor	McAllen TSVH - Eng Dsg - Fire Alarm Cont'	05/10/2024	12/31/2024	*	
22-004-048-D910	Gonzalez Shah Smith, Inc.	VLB - Minor	Fort Worth TSVH - Commissioning Eng. Svcs	03/13/2023	12/31/2024	*	
22-004-048-D668	Gonzalez Shah Smith, Inc.	VLB - Minor	McAllen TSVH - Eng Dsg - HVAC Upgrade (COVID)	08/07/2022	12/31/2024	*	
22-004-020-D675	Lockwood, Andrews & Newnam, Inc.	VLB - Minor	Tyler TSVH - Eng Dsg - HVAC Upgrade (COVID)	08/24/2022	12/31/2024	*	
24-204-000-E786	Orcutt Winslow	VLB - Minor	Houston TSVH - Eng. Svcs. for Roof	08/14/2024	12/31/2024	*	
23-035-000-D714	DMD America, Inc.	VLB - Minor	Web based pharmacy pricing tool for monthly audits	01/15/2023	01/14/2025	*	
23-016-003-E673	Rymar Construction, Inc.	VLB - Minor	Tyler TSVH-Construction of Storage Bldg.	08/13/2024	01/15/2025	*	
23-016-003-E787	Rymar Construction, Inc.	VLB - Minor	Temple TSVH - Construction of Storage Building	08/26/2024	01/17/2025	*	
06-240-000-0869	SS&C Technologies	VLB - Minor	Financial bond management software for the VLB	02/27/2006	02/27/2025	*	
23-016-003-E346	Rymar Construction, Inc.	VLB - Minor	El Paso TSVH - Fire Alarm and Sewer Station	03/26/2024	03/06/2025	*	
24-134-000-E464	Equifax Workforce Solutions LLC	VLB - Minor	Verification of Employment and Income Services	05/01/2024	04/30/2025	*	
22-004-040-D476	IMEG Corp	VLB - Minor	Houston & McAllen TSVH - HVAC Upgrade (COVID)	02/28/2022	06/20/2025	*	
23-098-000-D895	Bloomberg Finance L.P.	VLB - Minor	Software Subscription	06/30/2023	06/30/2025	*	
22-004-008-D490	DBR Engineering Consultants, Inc.	VLB - Minor	4 TSVH - Eng Dsg - HVAC Upgrade (COVID)	03/11/2022	07/11/2025	*	
22-004-040-E614	IMEG Corp	VLB - Minor	El Paso TSVH - Eng Dsg - Fire Alarm/Sewer Station Cont'	05/06/2024	07/30/2025	*	
25-008-000-E586	Direct Supply TELS	VLB - Minor	Web-based System to manage Constr Svcs Ops	09/01/2024	08/31/2025	*	
24-131-000-E457	B&H Total Office Solutions Inc.	VLB - Minor	Ft. Worth TSVH - Furniture Package & Install	01/31/2024	08/31/2025	*	
22-004-025-E783	Raba Kistner, Inc.	VLB - Minor	TSVH's - Constr. Insp and Material Testing for All Storage Bldgs	08/22/2024	08/31/2025	*	
22-004-013-D840	Robert J. Gilpin, DBA Gilpin Engineering Company	VLB - Minor	Corpus Christi TSVH - Eng Dsg	12/09/2022	11/26/2025	*	
22-004-024-D396	PRDG, LLC	VLB - Minor	9 TSVH - Architectural Svcs for Storage Buildings	01/13/2022	12/01/2025	*	
22-004-048-D647	Gonzalez Shah Smith, Inc.	VLB - Minor	2 TSVH - Eng Dsg - HVAC Upgrade (COVID)	08/07/2022	12/19/2025	*	
11-128-000-4670	Secretary of State	VLB - Minor	Applications for VLB Logos and slogans	12/27/2010	12/27/2025	*	
22-004-024-D441	PRDG, LLC	VLB - Minor	Fort Worth TSVH - Eng Dsg - HVAC Upgrade (COVID)	02/07/2022	12/31/2025	*	
22-004-024-E579	PRDG, LLC	VLB - Minor	TSVH Tyler - Design Svcs Kitchen Renovation	04/11/2024	12/31/2025	*	
22-004-024-D451	PRDG, LLC	VLB - Minor	Fort Worth TSVH - Architectural Svcs	02/14/2022	12/31/2025	*	
22-196-001-D613	MLCares LLC	VLB - Minor	COVID-19 Healthcare Relief Grant - Amarillo	05/10/2022	12/31/2025	*	
22-196-002-D612	Touchstone Veterans Management, LTD.	VLB - Minor	COVID-19 Healthcare Relief Grant - Big Spring	05/10/2022	12/31/2025	*	
22-196-003-D614	Texas VSI, LLC	VLB - Minor	COVID-19 Healthcare Relief Grant - Bonham	05/10/2022	12/31/2025	*	
22-196-004-D615	Texas VSI, LLC	VLB - Minor	COVID-19 Healthcare Relief Grant - El Paso	05/10/2022	12/31/2025	*	
22-196-005-D616	Care Inns of Texas, LTD.	VLB - Minor	COVID-19 Healthcare Relief Grant - Floresville	05/10/2022	12/31/2025	*	
22-196-006-D617	Touchstone Veterans Management, LTD.	VLB - Minor	COVID-19 Healthcare Relief Grant - Houston	05/10/2022	12/31/2025	*	
22-196-007-D618	Touchstone Veterans Management, LTD.	VLB - Minor	COVID-19 Healthcare Relief Grant - McAllen	05/10/2022	12/31/2025	*	
22-196-008-D619	Care Inns of Texas - Temple, LTD	VLB - Minor	COVID-19 Healthcare Relief Grant - Temple	05/10/2022	12/31/2025	*	
22-196-009-D620	Texas VSI, LLC	VLB - Minor	COVID-19 Healthcare Relief Grant - Tyler	05/10/2022	12/31/2025	*	
22-196-010-E120	Texas VSI, LLC	VLB - Minor	COVID-19 Healthcare Relief Grant - Houston	02/01/2023	12/31/2025	*	

Minor Contracts

Contract Number	Company Name	Designation	Contract Description	Effective Date	Expiration Date	Expiring*	Action Being Taken
24-093-000-E371	Morris Strategic Communications, LLC	VLB - Minor	VLB Social Media Data Analytics Services	03/21/2024	03/15/2026	*	
24-021-000-E005	Orrick Herrington & Sutcliffe LLP	VLB - Minor	VLB Bonds - Arbitrage, rebate calculations, and reports	09/01/2023	08/31/2028		
07-391-000-1139	City of Abilene	VLB - Minor	Water supply and reclamation contracts for the Abilene Texas State Veterans Cemetery	08/14/2007	08/14/2032		



MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: November 12, 2024

To: Dawn Buckingham, M.D., Chairwoman
James Rothfelder, Member
Judson Scott, Member

From: John Barton, Director of VLB Bond Funds Management

Subject: Agenda Item 7 a - Quarterly Update on Veterans Land, Housing and Home Improvement Program for Fiscal Year 2024 4th Quarter.

RECOMMENDATION: This agenda item requires no action from the Board.

June 25 Board Meeting Items

On August 29, 2024, Bond Funds Management (BFM) refunded \$100 million and \$35 million of Series 2021 and Series 2017 Bonds into taxable bonds to take advantage of the low fixed rate on the swaps and removed the earnings restrictions related to tax-exempt bonds.

On October 1, 2024, BFM redeemed \$12.8 million of Series 2004A Bonds. The redemption results in savings of approximately \$2.5 million in future debt service costs.

BFM is currently working on extending four liquidity agreements for an additional 5-year period each.

Loan Demand – Housing

In 1983, the Legislature created the VLB Veterans Housing Assistance Program to assist Texas Veterans and Military Members in purchasing a home. Through this program, eligible Texas Veterans and Military Members have an opportunity to purchase a home with a low-interest loan with little or no money down.

Loan interest rates have retreated slightly from their nearly 20-year highs, but mortgage demand remains lower than the previous year. On average, the VLB closes loans that are valued at about \$40-\$50 million per month. Demand for FY2024 Q4 averaged \$33.2 million per month. Correspondingly, the VLB home loan program experienced a 46.8% decrease in FY2024 Q4 versus FY2023 Q4.

	FY2024 Q4	FY2023 Q4	Variance
Housing Loan Value	\$99,500,000	\$186,900,000	(\$87,400,000)
Housing Loans Closed	256	461	(205)

Reservations to lock loan rates in FY2024 Q4 indicate demand in the historical range of \$400 million for Fiscal Year 2025.

In Fiscal Year 2024 (September 1, 2023 to August 31, 2024), VLB purchased 1,015 loans under the VHAP, totaling \$396.9 million.

Loan Demand – Home Improvement

VLB offers qualified veterans or military members loans to help pay for home repairs or upgrades through the Texas Veterans Home Improvement Program (VHIP). This program was introduced in 1986 and provides the same below-market interest rate as the housing loans.

	FY2024 Q4	FY2023 Q4	Variance
VHIP Loan Value	\$645,890	\$651,853	(\$5,962)
VHIP Loans Closed	27	29	(2)

In Fiscal Year 2024, VLB issued 109 loans under the VHIP totaling \$2.5 million.

Housing Loan Interest Rate Setting Process

VLB’s current weekly rate setting process revolves around setting a "base" rate that is 15-150 basis points (0.15% to 1.50%) below the benchmark. Eligible borrowers with a service-connected disability rating of 30% or higher are then allowed a 50-basis point (0.50%) reduction to the "base" rate. FY2024 Q4 base rates averaged 6.27% while FY2023 Q4 base rates averaged 6.81%.

Loan Demand – Land

The VLB Veterans Land Loan Program is the only one of its kind in the nation. It provides Texas Veterans and Military Members the opportunity to borrow money to purchase land at favorable interest rates and terms while only requiring a minimum 5% down payment.

Demand for land loans remains strong. Comparing the same quarter year-over-year there was an increase in over loan portfolio value from \$359.7 million to \$405.2 million or 12.8%.

The current loan rate for the land program is 7.25%.

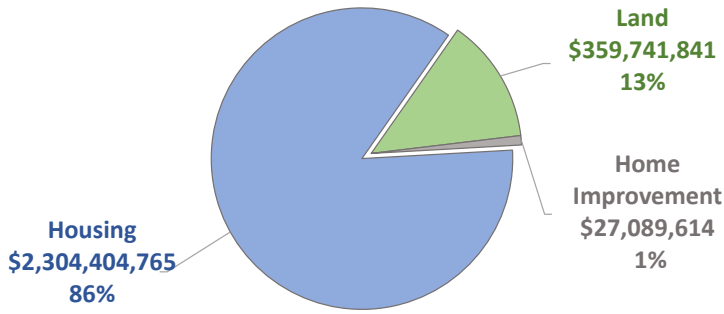
	FY2024 Q4	FY2023 Q4	Variance
Land Loan Value	\$25,400,000	\$28,400,000	(\$3,000,000)
Land Loans Closed	236	262	(26)

In Fiscal Year 2024, VLB issued just over \$100 million in land loans which was the highest amount in the program’s history.

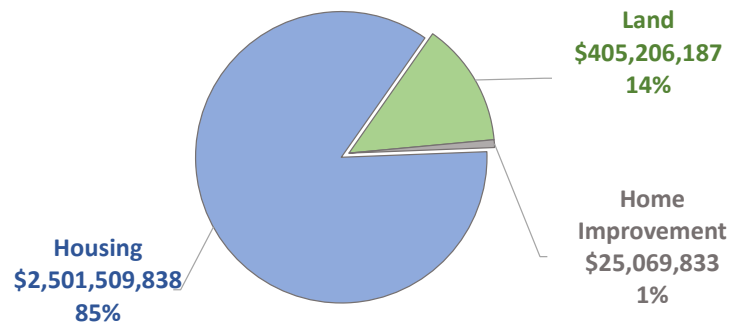
Fiscal Year 2024-Q4 Loan Summary Report



LOAN PORTFOLIO- FY 2023 Q4

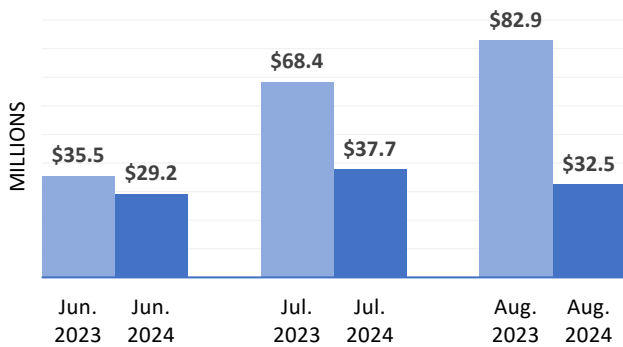


LOAN PORTFOLIO- FY 2024 Q4

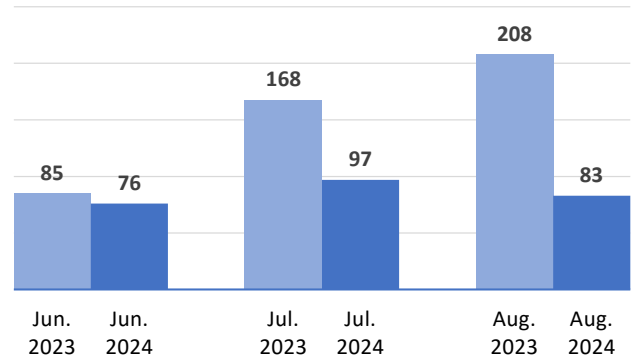


Housing Loans

Housing Loans (\$)



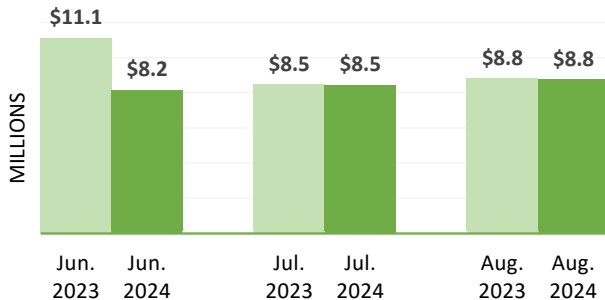
Number of Housing Loans



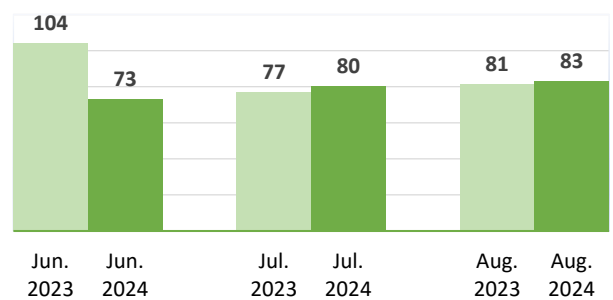
- \$99.5 million in Housing Loans
- \$388,633 Average Housing Loan
- 6.27% Average Interest Rate

Land Loans

Land Loans (\$)



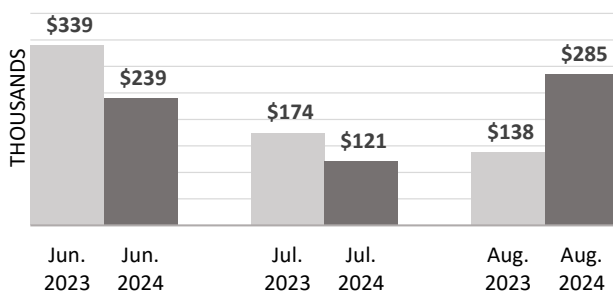
Number of Land Loans



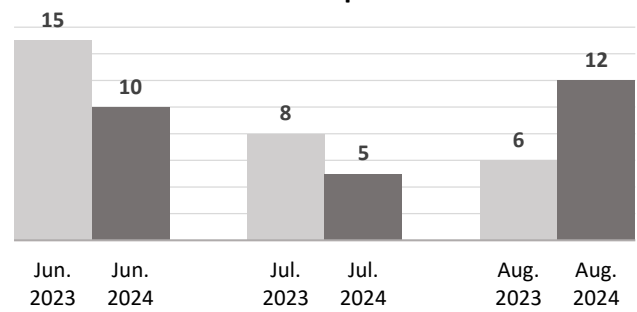
- \$25.5 million in Land Loans
- \$107,647 Average Land Loan
- 236 Total Land Loans

Home Improvement Loans

Home Improvement Loans (\$)



Number of Home Improvement Loans



- \$645,890 in Home Improvement Loans
- \$23,922 Average Home Improvement Loan Amount



MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: November 12, 2024

To: Dawn Buckingham, M.D., Chairwoman
James Rothfelder, Member
Judson Scott, Member

From: John Barton, Director of VLB Bond Funds Management

Subject: Agenda Item 7 b - Consideration and possible action on the adoption of a resolution authorizing the issuance and sale of State of Texas Veterans Land Bonds, Taxable Series 2025, in one or more series and installments, in an aggregate principal amount not to exceed \$100,000,000, and other matters relating to the subject.

RECOMMENDATION: Staff recommends that the Board authorize the issuance up to \$100 million in new money taxable general obligation bonds in the Veterans Land Program (VLP) for up to a one-year period. In addition, staff recommends that the final maturity of the bonds not exceed June 1, 2057, and that the bond True Interest Cost not exceed 6.00%.

Summary

The Veterans Land Board first issued bonds under the VLP in 1949 and has since issued 45 series of new money bonds totaling \$1.4 billion. The last new money issuance was in 2002 consisting of a taxable and tax-exempt transaction. In the late 1990s, the VLB introduced the ability to recycle funds within the program which allowed for the VLP to start using funds on hand to originate loans and minimize the need for bond issuances.

Since inception to 1996, the maximum land loan limit was \$20,000 and has been increased periodically to the current maximum of \$150,000. Throughout the life of the program demand and the loan limits have increased. The recommendation to issue new bonds, if adopted, will ensure the VLB is able to fully cover the demand and program expenses.

Staff is seeking approval for the issuance of up to \$100 million in bonds to fund approximately one year of land loan originations. The bonds will be issued as new money taxable general obligation bonds. Staff is working with its financial advisor to determine the most efficient structure for the bonds which may be either fixed rate or using a variable rate bond with a floating-to-fixed rate swap to create a synthetic fixed-rate bond like a VLB housing bond.

Staff is currently planning an issuance in the first quarter of 2025.

RESOLUTION

BY THE VETERANS' LAND BOARD OF THE STATE OF TEXAS AUTHORIZING THE ISSUANCE AND SALE OF STATE OF TEXAS VETERANS LAND BONDS, TAXABLE SERIES 2025 IN ONE OR MORE SERIES AND INSTALLMENTS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$100,000,000, AND PROVIDING FOR OTHER MATTERS RELATING TO THE SUBJECT

relating to

State of Texas
Veterans Land Bonds,
Taxable Series 2025

Adopted and Approved on

November [___], 2025

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RESOLUTION

BY THE VETERANS' LAND BOARD OF THE STATE OF TEXAS AUTHORIZING THE ISSUANCE AND SALE OF STATE OF TEXAS VETERANS LAND BONDS, TAXABLE SERIES 2025 IN ONE OR MORE SERIES AND INSTALLMENTS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$100,000,000, AND PROVIDING FOR OTHER MATTERS RELATING TO THE SUBJECT

WHEREAS, pursuant to the provisions of Article III, Section 49-b (the "Constitutional Provision") of the Constitution (the "State Constitution") of the State of Texas (the "State"), and implemented by Chapter 161, Texas Natural Resources Code, as amended (the "Act"), the Veterans' Land Board (the "Board") of the State has been authorized, subject to the limitations set forth in the Constitutional Provision, to issue general obligation bonds ("Bonds") of the State from time to time for the purpose of providing funding for the Veterans' Land Fund (the "Land Fund"), which fund may be used for the purpose of making land mortgage loans to Veterans (as such term is defined in the Act); and

WHEREAS, pursuant to the provisions of subsection (w) of the Constitutional Provision, adopted by vote of the people of the State on November 6, 2001, as amended by vote of the people of the State on November 3, 2009, the Board has been authorized to issue Bonds, as well as general obligation bonds (together with the Bonds, "Veterans Bonds") of the State for the purpose of providing funding for the Veterans' Housing Assistance Fund or the Veterans' Housing Assistance Fund II, from time to time in an aggregate principal amount outstanding at any one time not to exceed the aggregate principal amount of Veterans Bonds previously authorized by prior amendments to the State Constitution; and

WHEREAS, prior amendments to the State Constitution have authorized \$4 billion in aggregate principal amount of Veterans Bonds to be issued; and

WHEREAS, less than \$3.4 billion (including unamortized net original issue premium) in aggregate principal amount of Veterans Bonds is currently outstanding or authorized; and

WHEREAS, the Board has determined that it is necessary and desirable at this time that up to \$100,000,000 in aggregate principal amount of Bonds (hereinafter defined as the "Series 2025 Bonds") be issued in one or more series and installments for the purpose of augmenting the Land Fund; and

WHEREAS, pursuant to the Constitutional Provision, the Act and Chapter 1371, Texas Government Code, as amended ("Chapter 1371"), the Board hereby determines to issue the Series 2025 Bonds; and

WHEREAS, the Board hereby finds that the purpose for which the Board may issue the Series 2025 Bonds constitutes "public works," as contemplated by Chapter 1371;

NOW, THEREFORE, BE IT RESOLVED BY THE VETERANS' LAND BOARD OF THE STATE OF TEXAS:

ARTICLE I

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1. Definitions. (a) For all purposes of this Resolution, except as otherwise expressly provided or unless the context otherwise requires:

(i) “This Resolution” means this resolution as originally adopted or as it may from time to time be supplemented or amended by one or more resolutions supplemental hereto adopted pursuant to the applicable provisions hereof.

(ii) All references in this Resolution to designated “Articles,” “Sections” and other subdivisions are to the designated Articles, Sections and other subdivisions of this Resolution as originally adopted. The words “herein,” “hereof” and “hereunder” and other words of similar import refer to this Resolution as a whole and not to any particular Article, Section or other subdivision.

(iii) The terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular. Reference to any named Person means that party and its successors and assigns.

(b) The following terms have the meanings assigned to them below whenever they are used in this Resolution:

“Act” means Chapter 161, Texas Natural Resources Code, as amended.

“Alternate Liquidity Facility” means a letter of credit, standby bond purchase agreement or any other agreement or agreements used to provide liquidity support for a series of Series 2025 Bonds, satisfactory to the Board and the Remarketing Agent therefor and containing administrative provisions reasonably satisfactory to the Tender Agent therefor, issued and delivered to such Tender Agent in accordance with Section 9.6 hereof.

“Attorney General” means the Attorney General of the State.

“Authorized Denomination” means (i) for Weekly Rate Bonds, (A) prior to the final redemption pursuant to Section 3.1(a) hereof, \$100,000 and any integral multiple of \$5,000 in excess thereof, or (B) thereafter, any integral multiple of \$5,000, (ii) for Fixed Rate Bonds, \$5,000 and any integral multiple thereof, and (iii) for Variable Rate Bonds, the amount set forth in the Purchase Contract or Pricing Certificate therefor.

“Authorized Representative” means any of the following: the Chairwoman of the Board, the Executive Secretary of the Board, the Director of VLB Bond Funds Management of the Board, the Assistant Director of VLB Bond Funds Management of the Board, and any other officer or employee of the Board appointed by the Board to serve as an “Authorized Representative” hereunder.

“Beneficial Owner” means, during any period in which ownership of a series of Series 2025 Bonds is determined only by a book entry at a securities depository for such Series 2025 Bonds, any Person who acquires a beneficial ownership in such Series 2025 Bonds.

“Board” means the Veterans’ Land Board of the State.

“Bond” or “Bonds” means general obligation bonds of the State authorized by the Constitutional Provision and issued for the benefit of the Land Fund.

“Bond Counsel” means Bracewell LLP or any other attorney or firm of attorneys nationally recognized as experienced in the field of bonds of governmental issuers and appointed by the Board.

“Bond Purchase Fund” means for any series of Series 2025 Bonds the fund so designated that is established with the Tender Agent therefor pursuant to Section 9.8(b)(ii) hereof.

“Bond Register” has the meaning set forth in Section 2.6 hereof.

“Business Day” means with respect to a series of Series 2025 Bonds, any day other than (i) a Saturday, a Sunday or any other day on which banks located in the cities in which the Board and the applicable Tender Agent, Remarketing Agent, Paying Agent, Registrar or Liquidity Provider are located, or in which the office of such Liquidity Provider from which payments are made pursuant to the applicable Liquidity Facility is located, are authorized or required to remain closed or (ii) a day on which the New York Stock Exchange is closed.

“Ceiling Rate” means the lesser of (i) fifteen percent (15%) per annum and (ii) a per annum rate equal to the maximum net effective interest rate permitted to be paid on the Series 2025 Bonds (prescribed by Chapter 1204, Texas Government Code, as amended, or any successor provision), currently fifteen percent (15%).

“Chapter 1201” means Chapter 1201, Texas Government Code, as amended.

“Chapter 1371” means Chapter 1371, Texas Government Code, as amended.

“Comptroller” means the Texas Comptroller of Public Accounts.

“Constitutional Provision” means Article III, Section 49-b of the Constitution of the State, as adopted on November 9, 1999, as it may be amended from time to time.

“Defeasance Obligations” means (i) direct noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States, (ii) 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 Board adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by the Rating Agency not less than AAA or its equivalent, and (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the Board adopts or approves the proceedings authorizing the issuance of

refunding bonds, are rated as to investment quality by the Rating Agency not less than AAA or its equivalent.

“Direct Security Repurchase Agreement” means an agreement under which the Board buys, holds for a specified time, and then sells back any of the following securities, obligations, or participation certificates:

- (1) United States government securities;
- (2) direct obligations of or obligations the principal and interest of which are guaranteed by the United States;
- (3) direct obligations of or obligations guaranteed by the Federal Home Loan Banks, the Federal National Mortgage Association, the Federal Farm Credit System, the Student Loan Marketing Association, the Federal Home Loan Mortgage Corporation, or a successor organization to one of those organizations; or
- (4) any other investment instrument, obligation, or other evidence of indebtedness the payment of which is directly or indirectly guaranteed by the full faith and credit of the United States.

“DTC” means The Depository Trust Company, New York, New York, and its successors and assigns, or any successor securities depository for a series of Series 2025 Bonds.

“DTC Participant” means the securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“Eligible Investments” means:

- (1) Direct Security Repurchase Agreements and Reverse Security Repurchase Agreements made with state or national banks domiciled in the State or with primary dealers as approved by the Federal Reserve System;
- (2) direct obligations of or obligations the principal and interest of which are guaranteed by the United States;
- (3) direct obligations of or obligations guaranteed by the Federal Home Loan Banks, the Federal National Mortgage Association, the Federal Farm Credit System, the Student Loan Marketing Association, the Federal Home Loan Mortgage Corporation, or a successor organization to one of those organizations;
- (4) bankers’ acceptances that:
 - (i) are eligible for purchase by members of the Federal Reserve System;
 - (ii) do not exceed 270 days to maturity; and

- (iii) are issued by a bank that has received the highest short term credit rating by a nationally recognized investment rating firm;
- (5) commercial paper that:
 - (i) does not exceed 270 days to maturity; and
 - (ii) has received the highest short term credit rating by a nationally recognized investment rating firm;
- (6) contracts written by the Board in which the Board grants the purchaser the right to purchase securities in the Board's marketable securities portfolio at a specified price over a specified period and for which the Board is paid a fee and specifically prohibits naked option or uncovered option trading;
- (7) obligations of a state or an agency, county, city, or other political subdivision of a state, including revenue bonds issued under Chapter 164, Texas Natural Resources Code, as amended, and mutual funds composed of these obligations;
- (8) an investment instrument, obligation, or other evidence of indebtedness the payment of which is directly or indirectly guaranteed by the full faith and credit of the United States;
- (9) an investment, account, depository receipt, or deposit that is fully:
 - (i) insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or a successor organization to one of those organizations; or
 - (ii) secured by securities described by paragraph (2), (3), or (8) of this definition;
- (10) a collateralized mortgage obligation fully secured by securities or mortgages issued or guaranteed by the Government National Mortgage Association or any entity described by paragraph (3) of this definition;
- (11) a security or evidence of indebtedness issued by the Farm Credit System Financial Assistance Corporation, the Private Export Funding Corporation, or the Export Import Bank; and
- (12) any other investment authorized for investment of State funds by the Comptroller under applicable law;

provided, however, that the term "Eligible Investments" does not include any investments that may from time to time not be authorized under the laws of the State for investment of moneys in the Land Fund; and provided, further, that the term "Eligible Investments" also includes all investments that may from time to time be authorized under the laws of the State for investment of moneys in the Land Fund.

“Expenses Attributable to Bonds” means the expenses of issuing, selling, delivering and administering the Bonds, including without limitation, fees, expenses and other payments by the Board (excluding payments by the Board with respect to principal of or interest on the Bonds) payable under any bond enhancement agreement with respect to principal of or interest on the Bonds.

“Fiscal Year” means the period of time beginning in each calendar year on September 1, and ending August 31 of the calendar year next following, or the fiscal year for the State, as may hereinafter be established by law.

“Fixed Interest Rate” means (i) with respect to a Series 2025 Bond originally issued as a Weekly Rate Bond, the non-variable interest rate established in accordance with Section 9.3 hereof, and (ii) with respect to a Series 2025 Bond originally issued as a Fixed Rate Bond, the non-variable interest rate set forth in the related Purchase Contract or Pricing Certificate.

“Fixed Interest Rate Period” means with respect to a series of Series 2025 Bonds, the period of time during which such Series 2025 Bonds bear interest at a Fixed Interest Rate.

“Fixed Rate Bond” or “Fixed Rate Bonds” means any Series 2025 Bonds issued bearing interest at a Fixed Interest Rate.

“Fixed Rate Conversion Date” means with respect to a series of Weekly Rate Bonds, the date on which the interest rate on each of such Series 2025 Bonds converts to a Fixed Interest Rate.

“Fund I” means the Veterans’ Housing Assistance Fund created by the former Article III, Section 49-b-1 of the Constitution of the State, and currently governed by the Constitutional Provision.

“Fund II” means the Veterans’ Housing Assistance Fund II created by the former Article III, Section 49-b-2 of the Constitution of the State, and currently governed by the Constitutional Provision.

“Holder” means a Person in whose name a Series 2025 Bond is registered in the Bond Register.

“Initial Purchaser” means (i) with respect to a series of Series 2025 Bonds sold in connection with a public offering, the manager of the Underwriters relating thereto, or (ii) with respect to a series of Series 2025 Bonds sold privately, the purchaser or purchasers thereof.

“Initial Series 2025 Bond” means with respect to a series of Series 2025 Bonds, the Series 2025 Bond registered by the Comptroller.

“Interest Accrual Period” means with respect to a series of Series 2025 Bonds, the period from and including each Interest Payment Date to and excluding the next Interest Payment Date therefor; the initial Interest Accrual Period shall begin on (and include) the Settlement Date therefor and the final Interest Accrual Period shall end on the day next preceding the maturity date of such Series 2025 Bonds.

“Interest Payment Date” means (i) with respect to any Weekly Interest Rate Period, (A) the first Business Day of each month, commencing on the first such day following the applicable Settlement Date, (B) for a series of Weekly Rate Bonds, the Fixed Rate Conversion Date therefor, if any, and (C) the maturity date of a series of Series 2025 Bonds; and (ii) with respect to any Fixed Interest Rate Period, each June 1 and December 1, commencing the June 1 or December 1 immediately following the Fixed Rate Conversion Date or the Settlement Date, as the case may be, by at least 30 days.

“Interest Rate Period” means any Weekly Interest Rate Period or Fixed Interest Rate Period.

“Land Fund” means the Veterans’ Land Fund created by the Constitutional Provision.

“Land Loan” or “Land Loans” means the land mortgage loans made by the Board pursuant to the Constitutional Provision and the Act.

“Liquidity Facility” means for a series of Weekly Rate Bonds, initially the documents described in the related Pricing Certificate or Purchase Contract, as the same may be amended or supplemented from time to time, and, upon the effectiveness of an Alternate Liquidity Facility, means such Alternate Liquidity Facility.

“Liquidity Provider” means for a series of Weekly Rate Bonds, initially the Person designated in the related Pricing Certificate or Purchase Contract, and upon the effectiveness of an Alternate Liquidity Facility, means the bank or banks or other financial institution or financial institutions or other entity that is then a party to the Liquidity Facility. In the case of any Alternate Liquidity Facility to which more than one bank, financial institution or other entity is a party, notices required by this Resolution to be given to the Liquidity Provider may be given to the bank or financial institution under such Liquidity Facility appointed to act as agent for all such banks or financial institutions.

“Maximum Purchased Bond Rate” means for a series of Weekly Rate Bonds, the maximum interest rate for Purchased Bonds permitted under the Liquidity Facility therefor, but in no event to exceed the Ceiling Rate.

“Outstanding” means, when used with reference to a Bond or Bonds and as of a particular date, such Bond or Bonds not canceled except a Bond or Bonds for the payment or redemption of which provision has been made.

“Paying Agent” means with respect to a series of Series 2025 Bonds, the Comptroller unless otherwise set forth in the related Pricing Certificate or Purchase Contract, or any successor appointed by the Board pursuant to Section 5.2(a) hereof to perform the paying agent duties hereunder.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, limited liability company, unincorporated organization or government or any agency or political subdivision thereof.

“Pricing Certificate” means a certificate executed by an Authorized Representative setting forth certain provisions relating to a series of Series 2025 Bonds.

“Program” means the Veterans’ Land Program established pursuant to the Constitutional Provision and the Act.

“Purchase Account” means for a series of Weekly Rate Bonds, the account so designated and established pursuant to Section 9.8(b)(ii) hereof.

“Purchase Contract” means with respect to a series of Series 2025 Bonds initially sold in a public offering, the bond purchase contract between the Board and the Underwriters, authorized under Section 2.8 hereof, regarding the sale of such Series 2025 Bonds.

“Purchased Bond” or “Purchased Bonds” with respect to a series of Weekly Rate Bonds, has the meaning ascribed to such term in the Liquidity Facility therefor.

“Purchased Bond Rate” with respect to a series of Weekly Rate Bonds, has the meaning ascribed to such term in the Liquidity Facility therefor.

“Rating Agency” means with respect to a series of Series 2025 Bonds, initially, the statistical rating organization designated as such in the related Pricing Certificate or Purchase Contract or if such entity ceases to assign a rating to such Series 2025 Bonds, any substitute statistical rating organization so designated by the Board, which at the time has a credit rating assigned to such Series 2025 Bonds at the request of the Board.

“Record Date” means (a) with respect to any Interest Payment Date in respect of any Weekly Interest Rate Period, the Business Day immediately preceding such Interest Payment Date, and (b) with respect to any Interest Payment Date in respect of any Fixed Interest Rate Period, the 15th day of the month immediately preceding such Interest Payment Date or, in the event that an Interest Payment Date shall occur less than 15 days after the Fixed Rate Conversion Date, such date.

“Registrar” means with respect to a series of Series 2025 Bonds, initially the Person designated as such in the Purchase Contract or Pricing Certificate therefor, or any successor entity appointed by the Board pursuant to Section 5.2(a) hereof to perform the duties of registrar and transfer agent hereunder.

“Remarketing Account” means with respect to a series of Weekly Rate Bonds, the account so designated and established pursuant to Section 9.8(b)(ii) hereof.

“Remarketing Agent” means with respect to a series of Weekly Rate Bonds, initially the Person designated as such in the Pricing Certificate therefor, or any successor appointed pursuant to Section 9.9(a) hereof.

“Remarketing Agreement” means with respect to a series of Weekly Rate Bonds, the Remarketing Agreement dated as of the Settlement Date therefor, between the Board and the Remarketing Agent therefor, as the same may be amended or supplemented from time to time, or any remarketing agreement entered into with a successor Remarketing Agent.

“Resolution” means this resolution of the Board authorizing the issuance of the Series 2025 Bonds.

“Reverse Security Repurchase Agreement” means an agreement under which the Board sells and after a specified time buys back any of the securities, obligations, or participation certificates listed in paragraphs (1) through (4) of the definition of Direct Security Repurchase Agreement.

“Series 2025 Bond” or “Series 2025 Bonds” means the State of Texas Veterans Land Bonds, Taxable Series 2025, authorized pursuant to this Resolution.

“Settlement Date” means with respect to a series of Series 2025 Bonds, the date of initial delivery of such Series 2025 Bonds to the Initial Purchaser thereof.

“SOFR” means the 30-calendar-day compounded average of the “Secured Overnight Financing Rate” as published on the website of the Federal Reserve Bank of New York, or any successor source for such rate identified as such by the Federal Reserve Bank of New York or any successor administrator of the Secured Overnight Financing Rate.

“State” means the State of Texas.

“Tender Agent” means with respect to a series of Weekly Rate Bonds, any Person acting as Tender Agent therefor pursuant to the terms of this Resolution.

“Tender Agent Agreement” means if required with respect to a series of Weekly Rate Bonds, the agreement dated as of the Settlement Date therefor between the Board and the Tender Agent therefor, as the same may be amended or supplemented from time to time, or any similar agreement entered into with a successor Tender Agent.

“Undelivered Bonds” means any Series 2025 Bond so designated in accordance with the provisions of Section 9.4(e) or Section 9.4(g)(ii) hereof.

“Underwriters” means with respect to a series of Series 2025 Bonds initially sold in a public offering, the members of the underwriting syndicate therefor.

“Variable Rate Bond” or “Variable Rate Bonds” means Series 2025 Bonds other than Weekly Rate Bonds, the interest rate on which is not fixed, but is variable or adjustable by any formula, agreement or otherwise as set forth in the Pricing Certificate or Purchase Contract for such Series 2025 Bonds.

“Veterans” has the meaning given such term in the Constitutional Provision.

“Weekly Interest Rate” means a variable interest rate on Weekly Rate Bonds established in accordance with Section 9.2 hereof.

“Weekly Interest Rate Period” means each period during which a Weekly Interest Rate is in effect.

“Weekly Rate Bond” or “Weekly Rate Bonds” means Series 2025 Bonds subject to a Weekly Interest Rate Period.

Section 1.2. Effect of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

ARTICLE II

AUTHORIZATION AND TERMS OF SERIES 2025 BONDS; ISSUANCE AND FORM OF SERIES 2025 BONDS

Section 2.1. Authorization of Series 2025 Bonds. To provide money for the purpose of augmenting the Land Fund, the Series 2025 Bonds are hereby authorized and shall be issued, in one or more series and installments, as general obligations of the State in the original aggregate principal amount not to exceed One Hundred Million Dollars (\$100,000,000), as determined by an Authorized Representative and set forth in a Purchase Contract or Pricing Certificate. The Series 2025 Bonds shall be entitled “STATE OF TEXAS VETERANS LAND BONDS, TAXABLE SERIES 2025”; provided that unless the entire principal amount authorized for the Series 2025 Bonds is issued in a single series or in the discretion of an Authorized Representative, the series designation for each separate series shall include a different capital letter after “2025,” as set forth in the related Pricing Certificate or Purchase Contract.

Section 2.2. Form, Maturities, Interest Rates and Numbering. Each series of Series 2025 Bonds authorized hereby initially shall be dated as set forth in the related Pricing Certificate or Purchase Contract, and shall be issued and delivered in the form of fully registered bonds, without coupons, each payable to the Holder thereof, all in the manner hereinafter provided. The principal of Series 2025 Bonds shall mature, subject to prior redemption, on the dates and in the amounts set forth in the related Pricing Certificate or Purchase Contract; provided, however, that (i) the aggregate principal amount of all installments and series of Series 2025 Bonds shall not exceed \$100,000,000, and (ii) the final maturity of the Series 2025 Bonds shall occur not later than December 1, 2056; and provided, further, that during any period in which ownership of a series of the Series 2025 Bonds is determined only by a book entry at a securities depository for such Series 2025 Bonds, payments made to the securities depository, or its nominee, shall be made in accordance with existing arrangements between the Board and the securities depository. Weekly Rate Bonds shall bear interest at the Weekly Interest Rate therefor, provided that from and after the Fixed Rate Conversion Date, such Series 2025 Bonds shall bear interest at a Fixed Interest Rate. Fixed Rate Bonds shall bear interest at the Fixed Interest Rate or Rates set forth in the related Pricing Certificate or Purchase Contract or as determined pursuant to Section 9.3(a) hereof. Variable Rate Bonds shall bear interest as provided in the related Pricing Certificate or Purchase Contract. Each series of Weekly Rate Bonds shall be numbered consecutively from WR-1 upward by the Registrar, and no two Weekly Rate Bonds of the same series shall be given the same number. Each series of Fixed Rate Bonds shall be numbered consecutively from FR-1 upward by the Registrar, and no two Fixed Rate Bonds of the same series shall be given the same number. Each series of Variable Rate Bonds shall be numbered consecutively from VR-1 upward by the Registrar, and no two such Series 2025 Bonds shall be given the same number. Notwithstanding the foregoing, the Initial Series 2025 Bond for any series of Series 2025 Bonds shall be numbered

T-1. Unless otherwise specified in the related Pricing Certificate or Purchase Contract, the Board shall cause CUSIP numbers to be assigned to, and reproduced on, the Series 2025 Bonds, but errors or omissions in the printing of such numbers shall have no effect on the validity of such Bonds.

Section 2.3. Execution. Each of the Series 2025 Bonds shall be executed by and on behalf of the Board as general obligations of the State with the manual or facsimile signatures of the Chairwoman of the Board and the Executive Secretary of the Board, and the manual or facsimile seal of the Board shall be placed thereon. The facsimile signatures of the Chairwoman and Executive Secretary of the Board and the facsimile seal of the Board shall have the same effect as if each of said Bonds had been manually signed by such officers and said seal had been manually impressed on each such Bond. Series 2025 Bonds bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Board shall bind the State and the Board, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Bonds or did not hold such offices at the date of such Bonds.

Section 2.4. Approval by Attorney General; Registration by Comptroller. After any Initial Series 2025 Bonds shall have been executed, it shall be the duty of the Authorized Representatives to deliver such Series 2025 Bonds to the Attorney General for examination and approval, and after such Series 2025 Bonds shall have been approved by the Attorney General, they shall be delivered to the Comptroller for registration. Series 2025 Bonds thus registered shall remain in the custody of the Chairwoman of the Board or subject to her order, until the delivery thereof to the Initial Purchaser thereof.

Section 2.5. Form of Bond. The form of all Weekly Rate Bonds, including the forms of (i) Comptroller's Registration Certificate to accompany each Initial Series 2025 Bond that is a Weekly Rate Bond, (ii) Registrar's Authentication Certificate, and (iii) Assignment, shall be, respectively, substantially as set forth in Exhibit A hereto, with such appropriate variations, omissions, or insertions as are permitted or required by this Resolution. The form of all Fixed Rate Bonds, including the forms of (i) Comptroller's Registration Certificate to accompany each Initial Series 2025 Bond that is a Fixed Rate Bond, (ii) Registrar's Authentication Certificate, and (iii) Assignment, shall be, respectively, substantially as set forth in Exhibit B hereto, with such appropriate variations, omissions, or insertions as are permitted or required by this Resolution or set forth in a Pricing Certificate. The form of all Variable Rate Bonds, including the forms of (i) Comptroller's Registration Certificate to accompany each Initial Series 2025 Bond that is a Variable Rate Bond, (ii) Registrar's Authentication Certificate, and (iii) Assignment, shall be, respectively, substantially as set forth in Exhibit C hereto, with such appropriate variations, omissions, or insertions as are permitted or required by this Resolution or set forth in a Pricing Certificate. At the direction of an Authorized Representative, a portion of the text of Series 2025 Bonds may be printed on the back of the bond certificates, in which event the following phrase shall be inserted in the place where such text would otherwise appear: "Reference is hereby made to the further provisions of this Bond set forth on the reverse side hereof and such further provisions shall for all purposes have the same effect as if set forth at this place."

Section 2.6. Registration, Transfer and Exchange. (a) With respect to each series of Series 2025 Bonds, the Board shall keep or cause to be kept at the designated corporate trust office of the Person named in the related Pricing Certificate or Purchase Contract, or at the designated

office of any other banking institution named in accordance with the provisions of Section 5.2(a) hereof (in any event, a “Registrar”), books or records of the registration and transfer of such Series 2025 Bonds (each, a “Bond Register”), and each Registrar shall act as registrar and transfer agent to keep such Bond Register and make such transfers and registrations under such reasonable regulations as the Board may prescribe, and to convert and exchange or replace the applicable Series 2025 Bonds; and the Registrar shall make such transfers and registrations as herein provided. It shall be the duty of a Registrar to obtain from the Holder of each applicable Series 2025 Bond and record in the related Bond Register the address of such Holder to which payments with respect to the applicable Series 2025 Bonds shall be mailed, as herein provided. Each Registrar shall keep the related Bond Register confidential and, unless otherwise required by law, shall not permit their inspection by any entity other than the Board or its designee, which shall have the right to inspect such Bond Register during regular business hours of such Registrar. Registration of each Series 2025 Bond may be transferred in the applicable Bond Register only upon presentation and surrender of such Series 2025 Bond to the applicable Registrar for transfer of registration and cancellation, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to such Registrar, evidencing the assignment of such Series 2025 Bond, or any portion thereof in any Authorized Denomination, to the assignee or assignees thereof, and the right of such assignee or assignees to have such Series 2025 Bond or any such portion thereof registered in the name of such assignee or assignees. Upon the assignment and transfer of any Series 2025 Bond or any portion thereof, a new substitute Series 2025 Bond or Series 2025 Bonds of the same series and maturity shall be issued in conversion and exchange therefor in the manner herein provided.

(b) The entity in whose name any Series 2025 Bond shall be registered in the related Bond Register at any time shall be treated as the absolute owner thereof for all purposes of this Resolution, whether or not such Series 2025 Bond shall be overdue, and the Board and the applicable Paying Agent and Registrar shall not be affected by any notice to the contrary; and payment of, or on account of, the principal of and premium, if any, and interest on any such Series 2025 Bond shall be made only to such Holder. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Series 2025 Bond to the extent of the sum or sums so paid.

(c) Unless otherwise set forth in a Pricing Certificate or Purchase Contract, the Board hereby appoints the Comptroller in Austin, Texas, or any banking institution named in accordance with the provisions of Section 5.2(a) hereof (in either case, the “Paying Agent”), to act as the paying agent for paying the principal of and premium, if any, and interest on the Series 2025 Bonds, all as provided in this Resolution. Each Paying Agent shall keep proper records of all payments made by the Board and such Paying Agent with respect to the applicable Series 2025 Bonds, as provided in this Resolution. For any Series 2025 Bond that has a CUSIP number, the applicable Paying Agent shall provide the CUSIP number for such Series 2025 Bond with each payment of interest on and the principal or the redemption price of such Series 2025 Bond, specifying the amount paid in respect of such CUSIP number.

(d) Each Series 2025 Bond may be converted into and exchanged for fully registered bonds in the manner set forth herein. Each Series 2025 Bond may, upon surrender thereof to the applicable Registrar, together with a written request therefor duly executed by the Holder or the assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with

guarantee of signatures satisfactory to the Registrar, at the option of the Holder or such assignee or assignees, as appropriate, be converted into and exchanged for a substitute Series 2025 Bond or Series 2025 Bonds having the same series, maturity date, bearing interest at the same rate and in any Authorized Denomination which may be requested in writing by such Holder or such assignee or assignees, in an aggregate principal amount equal to the principal amount of the Series 2025 Bond or Series 2025 Bonds so surrendered, and payable to the appropriate Holder, assignee, or assignees, as the case may be. If only a portion of any Series 2025 Bond shall be redeemed prior to its scheduled maturity as provided herein, a substitute Series 2025 Bond or Series 2025 Bonds having the same series, maturity date, bearing interest at the same rate, in any Authorized Denomination at the request of the Holder, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Holder upon surrender thereof for cancellation. If any Series 2025 Bond or portion thereof is assigned and transferred or converted, each Series 2025 Bond issued in exchange therefor shall have the same series, principal maturity date and bear interest at the same rate as the Series 2025 Bond for which it is being exchanged. Each substitute Series 2025 Bond shall bear a number to distinguish it from each other Series 2025 Bond. Each Registrar shall convert and exchange or replace Series 2025 Bonds as provided herein, and each fully registered bond delivered in conversion of and exchange for or replacement of any Series 2025 Bond or portion thereof as permitted or required by any provision of this Resolution shall constitute one of the Series 2025 Bonds for all purposes of this Resolution, and may again be converted and exchanged or replaced. It is specifically provided, however, that any Series 2025 Bond delivered in conversion of and exchange for or replacement of another Series 2025 Bond prior to the first scheduled Interest Payment Date of the related series of Series 2025 Bonds shall be dated the same date as such Series 2025 Bond, but each substitute Series 2025 Bond so delivered on or after such first scheduled Interest Payment Date shall be dated as of the Interest Payment Date preceding the date on which such substitute Series 2025 Bond is delivered, unless such Series 2025 Bond is delivered on an Interest Payment Date therefor, in which case it shall be dated as of such date of delivery; provided, however, that if at the time of delivery of any substitute Series 2025 Bond the interest on the Series 2025 Bond for which it is being exchanged has not been paid, then such Series 2025 Bond shall be dated as of the date to which such interest has been paid in full; and provided, further, that any Series 2025 Bond issued in exchange for an Initial Series 2025 Bond shall be dated the date specified in the related Pricing Certificate or Purchase Contract. On each substitute Series 2025 Bond issued in conversion of and exchange for or replacement of any Series 2025 Bond or Series 2025 Bonds there shall be printed a Registrar's Authentication Certificate, in the form hereinafter set forth. An authorized representative of the applicable Registrar shall, before the delivery of any such Series 2025 Bond, date such Series 2025 Bond in the manner set forth above, and manually sign and date the Registrar's Authentication Certificate, and no such Series 2025 Bond shall be deemed to be issued or Outstanding unless such Registrar's Authentication Certificate is so executed and dated. Each Registrar promptly shall cancel all applicable Series 2025 Bonds surrendered for transfer, conversion and exchange or replacement. No additional orders or resolutions need be passed or adopted by the Board or any other body or Person so as to accomplish the foregoing conversion and exchange or replacement of any Series 2025 Bond or portion thereof, and each Registrar shall provide for the execution and delivery of substitute Series 2025 Bonds in the manner prescribed herein. Pursuant to Chapter 1201, and particularly Sections 1201.061 through 1201.063 and 1201.067 thereof, the duty of conversion and exchange or replacement of Series 2025 Bonds as aforesaid is hereby imposed upon the related Registrar, and, upon the execution and dating of the above described Registrar's

Authentication Certificate, the transferred, converted and exchanged or replaced Series 2025 Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Series 2025 Bonds which originally were delivered pursuant to this Resolution, approved by the Attorney General, and registered by the Comptroller. Except in the case of tenders of Weekly Rate Bonds pursuant to Section 9.4 hereof or of the remarketing of Purchased Bonds, neither the Board nor any Registrar shall be required (i) to issue, transfer, replace or exchange any Series 2025 Bond subject to redemption in whole or in part during a period beginning at the opening of business 30 days before the day of the first mailing of a notice of redemption of such series of Series 2025 Bonds and ending at the close of business on the day of such mailing, or (ii) to replace, transfer or exchange any Series 2025 Bond so selected for redemption, in whole or in part, when such redemption is scheduled to occur within 30 calendar days; except that at the option of the Holder of at least \$1,000,000 in principal amount of a series of Series 2025 Bonds, the applicable Registrar shall be required to transfer or exchange any such Series 2025 Bond of such Holder which has been selected, in whole or in part, for redemption upon surrender thereof. A Registrar may make such arrangements as it deems appropriate for notation on each new Series 2025 Bond issued in exchange for or upon the transfer of the Series 2025 Bond so selected for redemption of an appropriate legend to the effect that such new Series 2025 Bond has been so selected for redemption.

(e) All Series 2025 Bonds issued in conversion and exchange or replacement of any other Series 2025 Bond or portion thereof, (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Series 2025 Bonds to be payable only to the Holders thereof, (ii) may be redeemed prior to their scheduled maturities, (iii) may be transferred and assigned, (iv) may be converted and exchanged for other Series 2025 Bonds, (v) shall have the characteristics, (vi) shall be signed and sealed, (vii) shall be authenticated, and (viii) shall provide that the principal of and interest on such Series 2025 Bonds shall be payable, all as provided, and in the manner required or indicated, in this Resolution.

(f) The Board shall pay each Registrar's reasonable and standard or customary fees and charges for making transfers of Series 2025 Bonds, but the Holder of any related Series 2025 Bond requesting such transfer shall pay any taxes or other governmental charges required to be paid with respect thereto. The Holder of any Series 2025 Bond requesting any conversion and exchange shall pay the applicable Registrar's reasonable and standard or customary fees and charges for converting and exchanging any Series 2025 Bond or portion thereof, together with any taxes or governmental charges required to be paid with respect thereto, all as a condition precedent to the exercise of such privilege of conversion and exchange; except, however, that in the case of the conversion and exchange of an assigned and transferred Series 2025 Bond or Series 2025 Bonds or any portion or portions thereof in any Authorized Denomination, and in the case of the conversion and exchange of a portion of the unredeemed portion of a Series 2025 Bond that has been redeemed in part prior to maturity, as provided in this Resolution, such fees and charges will be paid by the Board.

Section 2.7. Damaged and Missing Bonds. (a) In the event any Outstanding Series 2025 Bond is damaged, mutilated, lost, stolen, or destroyed, the applicable Registrar shall cause to be printed, executed, authenticated and delivered, a new Series 2025 Bond of the same series, principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Series 2025 Bond in the manner hereinafter provided.

(b) Application for replacement of a damaged, mutilated, lost, stolen, or destroyed Series 2025 Bond shall be made by the Holder thereof to the applicable Registrar. In every case of loss, theft, or destruction of a Series 2025 Bond, the Holder applying for a replacement Series 2025 Bond shall furnish to the Board and to the applicable Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Series 2025 Bond, the Holder shall furnish to the Board and to the applicable Registrar evidence to their satisfaction of the loss, theft, or destruction of such Series 2025 Bond, as the case may be. In every case of damage or mutilation of a Series 2025 Bond, the Holder shall surrender to the applicable Registrar for cancellation the Series 2025 Bond so damaged or mutilated.

(c) Notwithstanding the foregoing provisions of this Section, in the event any such Series 2025 Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of and premium, if any, or interest on the Series 2025 Bond, the Board may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Series 2025 Bond, provided security or indemnity is furnished as provided above in this Section.

(d) Prior to the issuance of any replacement Series 2025 Bond pursuant to the provisions of this Section, the applicable Registrar shall charge the Holder of such Series 2025 Bond with all legal, printing, and other expenses in connection therewith. Every replacement Series 2025 Bond issued pursuant to the provisions of this Section by virtue of the fact that any Series 2025 Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the Board whether or not the lost, stolen, or destroyed Series 2025 Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Resolution equally and proportionately with any and all other Series 2025 Bonds duly issued under this Resolution.

(e) In accordance with Section 1201.062 of Chapter 1201, this Section shall constitute authority for the issuance of any such replacement Series 2025 Bond without the necessity of further action by the Board or any other body or Person, and the duty of the replacement of such Series 2025 Bond is hereby authorized and imposed upon the applicable Registrar, and such Registrar shall authenticate and deliver such replacement Series 2025 Bonds in the form and manner and with the effect, as provided in Section 2.6(d) of this Resolution for Series 2025 Bonds issued in conversion and exchange for other Series 2025 Bonds.

Section 2.8. Sale and Delivery of Series 2025 Bonds. The Series 2025 Bonds may be sold publicly or privately on a negotiated basis, as determined by the Authorized Representatives to assure that the Series 2025 Bonds are sold on advantageous terms. Pursuant to Chapter 1371, the Authorized Representatives are hereby severally authorized and directed to act for and on behalf of the Board in connection with other matters relating to the issuance of the Series 2025 Bonds. In such capacity, the Authorized Representatives, acting for and on behalf of the Board, shall determine the date of issuance and sale of each series of the Series 2025 Bonds, and are also hereby severally authorized and directed to approve, execute and deliver the related Purchase Contract or Pricing Certificate, and to approve the principal amounts and maturities of such Series 2025 Bonds and whether such Series 2025 Bonds shall be issued initially as Fixed Rate Bonds, Weekly Rate Bonds or Variable Rate Bonds, the redemption provisions and such other terms applicable to such Series 2025 Bonds, the Purchase Contract or Pricing Certificate to be

approved by the Authorized Representative executing the Purchase Contract or Pricing Certificate, such approval to be conclusively evidenced by such Authorized Representative's execution thereof; provided that (i) the final maturity and aggregate principal amount of such Series 2025 Bonds shall comply with Section 2.2 hereof, and (ii) the interest rate on such Series 2025 Bonds shall not exceed the Ceiling Rate, subject to the unqualified approving opinion as to the legality of such Series 2025 Bonds of the Attorney General and of Bond Counsel. The Authorized Representatives and all other officers, agents and representatives of the Board are hereby authorized to do any and all other things necessary or desirable to satisfy the conditions set out in the Purchase Contract or otherwise required by the Initial Purchaser and to provide for the issuance and delivery of Series 2025 Bonds. One definitive Series 2025 Bond for each series and maturity date, in the principal amount for such series and maturity date as set forth in the related Purchase Contract or Pricing Certificate, shall be delivered to or as directed by the Initial Purchaser thereof. It is further provided, however, that notwithstanding the foregoing provisions, a series of Series 2025 Bonds shall not be delivered unless prior to delivery such Series 2025 Bonds have been rated by a Rating Agency in one of the four highest rating categories for long-term obligations or in one of the three highest rating categories for short-term obligations, as required by Chapter 1371.

Section 2.9. Preliminary Official Statement and Official Statement. For any Series 2025 Bonds to be sold initially in a public offering, prior to the execution of the Purchase Contract, the Chairwoman of the Board, acting for and on behalf of the Board, (i) if requested by the Initial Purchaser thereof, shall cause a preliminary official statement (the "Preliminary Official Statement") to be prepared for distribution by the Underwriters to prospective purchasers of such Series 2025 Bonds, such document to be in the form as an Authorized Representative may deem necessary or appropriate, and each Authorized Representative is hereby authorized for and on behalf of the Board to approve and deem final the Preliminary Official Statement as of its date, except for such omissions as are permitted by the Rule (as defined in Section 8.1 hereof); within seven business days after the execution of the related Purchase Contract, the Chairwoman of the Board, acting for and on behalf of the Board, shall cause the final Official Statement, in substantially the form of the Preliminary Official Statement, with such changes as the Chairwoman of the Board may approve, such approval to be conclusively evidenced by her execution thereof, to be provided to the Underwriters in compliance with the Rule, or (ii) if such Initial Purchaser does not request a Preliminary Official Statement, the Chairwoman of the Board, acting for and on behalf of the Board, shall cause an official statement to be prepared for distribution by the Underwriters to prospective purchasers of such Series 2025 Bonds, such document to be in the form as an Authorized Representative may deem necessary or appropriate.

Section 2.10. Book-Entry System. As provided in Section 2.8 of this Resolution, each series of Series 2025 Bonds initially shall be delivered against payment to the Initial Purchaser thereof. The Series 2025 Bonds so delivered to such Initial Purchaser shall be registered in accordance with the instructions of such Initial Purchaser. Each Initial Purchaser shall be required to promptly surrender any Initial Series 2025 Bond received by such Initial Purchaser for exchange. Series 2025 Bonds issued in exchange shall be registered in the name of Cede & Co., as nominee of DTC, as Holder, and held in the custody or on behalf of DTC. Unless otherwise requested by DTC, a single certificate will be issued and delivered to DTC or its designee for each series and maturity and of the Series 2025 Bonds. Beneficial owners of Series 2025 Bonds will not receive physical delivery of Series 2025 Bond certificates except as provided hereinafter. For

so long as DTC shall continue to serve as securities depository for the Series 2025 Bonds as provided herein, all transfers of beneficial ownership interests therein will be made by book entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Series 2025 Bonds is to receive, hold or deliver any Series 2025 Bond certificate.

With respect to Series 2025 Bonds registered in the name of Cede & Co., as nominee of DTC, none of the Board or the applicable Paying Agent or Registrar shall have any responsibility or obligation to any DTC Participant or to any Person on whose behalf a DTC Participant holds an interest in the Series 2025 Bonds. Without limiting the immediately preceding sentence, none of the Board or any Paying Agent or Registrar shall have any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Series 2025 Bonds, (ii) the delivery to any DTC Participant or any other Person, other than a Holder, as shown on the Bond Register, of any notice with respect to the Series 2025 Bonds, including any notice of redemption, and (iii) the payment to any DTC Participant or any other Person, other than a Holder, of any amount with respect to principal of and premium, if any, or interest on the Series 2025 Bonds.

Replacement Series 2025 Bonds may be issued directly to beneficial owners of Series 2025 Bonds other than DTC, or its nominee, but only in the event that (i) DTC determines not to continue to act as securities depository for the Series 2025 Bonds (which determination shall become effective no less than 90 days after written notice to such effect to the Board and the applicable Paying Agent and Registrar), or (ii) the Board has advised DTC of its determination (which determination is conclusive as to DTC and the beneficial owners of the Series 2025 Bonds) that DTC is incapable of discharging its duties as securities depository for the Series 2025 Bonds, or (iii) the Board has determined (which determination is conclusive as to DTC and the beneficial owners of the Series 2025 Bonds) that the interests of the beneficial owners of the Series 2025 Bonds might be adversely affected if such book entry only system of transfer is continued. Upon occurrence of any event described in (i) or (ii) above, the Board shall use its best efforts to attempt to locate another qualified securities depository. If the Board fails to locate another qualified securities depository to replace DTC, the Board shall cause to be executed, authenticated and delivered replacement Series 2025 Bonds, in certificated form, to the DTC Participants having an interest in the Series 2025 Bonds as shown on the records of DTC provided by DTC to the Board. In the event that the Board makes the determination noted in (iii) above and has made provisions to notify the beneficial owners of the Series 2025 Bonds of such determination by mailing an appropriate notice to DTC, it shall cause to be issued replacement Series 2025 Bonds in certificated form to the DTC Participants having an interest in the Series 2025 Bonds as shown on the records of DTC provided by DTC to the Board. The Board undertakes no obligation to make any investigation to determine the occurrence of any events that would permit the Board to make any determination described in (ii) or (iii) above.

Whenever, during the term of the Series 2025 Bonds, the beneficial ownership thereof is determined by a book entry at DTC (or any successor securities depository), the requirements in this Resolution of holding, registering, delivering, exchanging or transferring Series 2025 Bonds shall be deemed modified to require the appropriate Person to meet the requirements of DTC (or such successor securities depository) as to holding, registering, delivering, exchanging or transferring the book entry to produce the same effect.

Whenever, during the term of the Weekly Rate Bonds, the beneficial ownership thereof is determined by a book entry at DTC (or any successor securities depository), tenders of Weekly Rate Bonds shall be made pursuant to DTC's (or any successor securities depository's) deliver order procedures or repayment option procedures, as applicable, as are in effect from time to time. Upon remarketing of Weekly Rate Bonds, payment of the Purchase Price thereof shall be made to DTC (or any successor securities depository), and no surrender of Weekly Rate Bonds is required. Such sales shall be made through the DTC Participants (which may include the Remarketing Agent) to the new beneficial owners of such Weekly Rate Bonds, and the DTC Participants shall transmit payment to beneficial owners whose Weekly Rate Bonds were purchased pursuant to a remarketing. The Board and each Registrar, Paying Agent, Tender Agent, Liquidity Provider and Remarketing Agent are not responsible for transfer of payment to the DTC Participants or beneficial owners.

If at any time DTC ceases to hold the Series 2025 Bonds, all references herein to DTC shall be of no further force or effect.

Anything to the contrary contained herein notwithstanding, this Section 2.10 shall not apply to a series of the Series 2025 Bonds if so provided in a Pricing Certificate.

ARTICLE III

REDEMPTION OF SERIES 2025 BONDS

Section 3.1. Redemption. (a) Series 2025 Bonds (including Purchased Bonds) shall be subject to scheduled mandatory sinking fund redemption and shall be redeemed on the dates and in the respective principal amounts set forth in the related Purchase Contract or Pricing Certificate, at a redemption price equal to the principal amount thereof, without premium, plus accrued interest to the date fixed for redemption. The principal amount of Series 2025 Bonds to be redeemed on each such redemption date pursuant to mandatory sinking fund redemption shall be reduced, at the option of the Board, by the principal amount of any Series 2025 Bonds of the same series and having the same stated maturity which (A) at least 45 days prior to such mandatory sinking fund redemption date, (1) shall have been acquired by the Board and delivered to the applicable Registrar for cancellation, or (2) shall have been acquired and canceled by such Registrar at the direction of the Board, or (3) shall have been redeemed pursuant to any redemption provision set forth below and (B) shall have not been previously credited against a scheduled mandatory sinking fund redemption.

(b) The Weekly Rate Bonds (including Purchased Bonds) shall be subject to redemption prior to maturity on the first Business Day of any month, at the option and direction of the Board, in whole or in part, at a redemption price of par plus accrued interest. In the case of any such redemption, the Board shall select the maturity or maturities of the Weekly Rate Bonds to be redeemed and the amounts thereof in Authorized Denominations.

(c) Any series of Series 2025 Bonds issued as other than Weekly Rate Bonds shall be subject to redemption prior to maturity, at the option and direction of the Board, during the periods and at the redemption prices set forth in the related Purchase Contract or Pricing Certificate, plus accrued interest to the date fixed for redemption.

(d) Converted Fixed Rate Bonds shall be subject to redemption prior to maturity, at the option and direction of the Board, during the periods specified by an Authorized Representative, in whole at any time or in part from time to time, at the redemption prices (expressed as a percentage of principal amount) determined by such Authorized Representative, plus accrued interest, if any, to the redemption date. In the case of any such redemption, the Board shall select the maturity or maturities of the Fixed Rate Bonds to be redeemed and the amounts thereof in Authorized Denominations.

(e) In the case of any redemption of less than all of the Series 2025 Bonds of a particular series and maturity, the particular Series 2025 Bonds within each such series and maturity to be redeemed shall be selected by the applicable Registrar by lot in such manner as such Registrar shall deem fair and appropriate; provided that during any period in which ownership of such Series 2025 Bonds is determined only by a book entry at a securities depository, if less than the entire principal amount Outstanding of all Series 2025 Bonds of the same series and maturity is to be redeemed, the interests to be redeemed of the beneficial owners of such Series 2025 Bonds shall be selected in accordance with the arrangements between the Board and the securities depository.

(f) Anything in this Section 3.1 to the contrary notwithstanding, in the event of any (i) optional redemption of Weekly Rate Bonds, Purchased Bonds of the same series shall be selected first for such redemption to the extent there are any such Purchased Bonds, provided that the Board may select the maturity or maturities of Purchased Bonds to be so redeemed and the amounts thereof in Authorized Denominations, and (ii) mandatory sinking fund redemption of Weekly Rate Bonds, Purchased Bonds of the same series and maturity being redeemed shall be selected first for such redemption to the extent there are any such Purchased Bonds.

Section 3.2. Notice of Redemption. At least 30 days prior to the date fixed for any redemption of Series 2025 Bonds, a written notice of such redemption shall be sent by first class mail, postage prepaid by the Registrar to the Holders of the applicable series of Series 2025 Bonds to be redeemed on such date. All notices of redemption shall state: (1) the date of redemption and general mailing of such notices; (2) the redemption price; (3) the identification (including complete official name and series designation and issue date), the CUSIP number, if any, certificate number (and in the case of partial redemption, the respective principal amounts), interest rates and maturity dates of the Series 2025 Bonds to be redeemed; (4) that on the redemption date the redemption price will become due and payable on each such Series 2025 Bond, and that interest thereon shall cease to accrue from and after such date; and (5) the name and address of the applicable Paying Agent, including the name and telephone number of a contact person and the place where such Series 2025 Bonds are to be surrendered for payment of the redemption price. By the date fixed for any such redemption, due provision shall be made by the Board with the applicable Paying Agent for the payment of the required redemption price for such Series 2025 Bonds or the portions thereof which are to be so redeemed. If such written notice of redemption is given, and if due provision for such payment is made, all as provided above, such Series 2025 Bonds, or the portions thereof which are to be so redeemed, thereby automatically shall be redeemed prior to their scheduled maturities, and shall not bear interest after the date fixed for their redemption, and shall not be regarded as being Outstanding except for the right of the Holders thereof to receive the redemption price therefor from the applicable Paying Agent out of the funds provided for such payment. The applicable Registrar shall record in the related Bond Register all such redemptions

of principal of the Series 2025 Bonds or any portion thereof. If only a portion of any Series 2025 Bond shall be redeemed, a substitute Series 2025 Bond or Series 2025 Bonds, having the same series and maturity date, bearing interest at the same rate, in any Authorized Denomination which may be requested by the Holder thereof, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Holder thereof upon the surrender thereof for cancellation, at the expense of the Board, all as provided in this Resolution. For all purposes of this Resolution, unless the context otherwise requires, all provisions relating to the redemption of Series 2025 Bonds shall relate, in the case of any Series 2025 Bond redeemed or to be redeemed only in part, to the portion of the principal of such Series 2025 Bond that has been or is to be redeemed.

In addition to the notice of redemption required above, the applicable Registrar shall send notice of redemption by certified or registered mail, return receipt requested, postage prepaid, or by overnight delivery service contemporaneously with such mailing: (1) to any Holder of \$1,000,000 or more in principal amount of the applicable series of Series 2025 Bonds; (2) to two or more information services of national recognition that disseminate redemption information with respect to municipal bonds; and (3) to any securities depository that is a Holder of such Series 2025 Bonds. In addition, in the event of a redemption caused by an advance refunding of Series 2025 Bonds, the applicable Registrar shall send a second notice of redemption to all Holders of such Series 2025 Bonds at least thirty (30) days but not more than ninety (90) days prior to the actual redemption date. Any notice required to be sent to any registered securities depositories or national information services shall be sent so that it is received at least two (2) days prior to the general mailing date of such notice. A Registrar shall also send a notice of redemption to the Holder of any applicable Series 2025 Bond called for redemption who has not sent such Series 2025 Bond in for redemption sixty (60) days after the redemption date.

Notwithstanding the foregoing, the failure to give any notice of redemption set forth in this Section or any defect in such notice or the mailing thereof shall not affect the validity of any proceedings for redemption of Series 2025 Bonds.

ARTICLE IV

FUNDS AND INVESTMENTS

Section 4.1. Establishment of the Land Fund. The Comptroller (as successor to the Treasurer of the State) has established in the State Treasury the “Veterans’ Land Fund,” referred to herein as the “Land Fund.” The Board hereby confirms and ratifies the establishment of the Land Fund and agrees to maintain the Land Fund until all Bonds have been paid in full.

Section 4.2. Deposits to the Land Fund. The Land Fund is and shall be comprised of, and where feasible it is the duty of the Board, and the officers of the Board are hereby authorized and directed, to deposit into the Land Fund, the following:

- (i) money attributable to any Bonds (except Expenses Attributable to Bonds) issued by the Board to provide money for the Land Fund which shall include, but shall not be limited to, the proceeds from the issuance of such Bonds;

(ii) money received from the sale or resale of lands or rights in lands purchased from the proceeds of any Bonds;

(iii) money received from the sale or resale of lands or rights in lands purchased with other money attributable to any Bonds;

(iv) proceeds derived from the sale or other disposition of the Board's interest in:

(A) contracts for the sale or resale of lands or rights in lands; or

(B) loans made to Veterans for the purchase of land under the Act;

(v) interest and penalties received from the sale or resale of lands purchased under the Act or rights in lands;

(vi) bonuses, income, rents, royalties, and other pecuniary benefits received by the Board from:

(A) lands purchased by the Board under the Act; or

(B) loans made to Veterans for the purchase of land under the Act;

(vii) sums received by way of indemnity or forfeiture for the failure of any bidder for the purchase of any Bonds to comply with the person's bid and accept and pay for such Bonds or for the failure of a bidder for the purchase of lands comprising a part of the Land Fund to comply with a bid and accept and pay for the lands and payments received by the Board under Bond Enhancement Agreements with respect to Bonds;

(viii) interest received from investments of any such money in the Land Fund;

(ix) any interest of the Board in a loan made under the Act using money in the Land Fund, including any title insurance related to a loan or land purchased with a loan; and

(x) any equitable interest in property encumbered under the Act and attributable to the Land Fund.

The Board may deposit other moneys to the credit of the Land Fund, including moneys transferred by the Board from Fund I and Fund II, which are eligible under the Constitution and applicable laws of the State for such deposit or transfer.

Section 4.3. Source of Payment. (a) The principal of and interest on the Series 2025 Bonds, including payments by the Board under bond enhancement agreements with respect to principal of or interest on the Series 2025 Bonds, shall be and are hereby made general obligations of the State pursuant to the Constitutional Provision, and for the faithful performance in proper time and manner of each official or other act required and necessary to provide for the prompt payment of principal of and interest on each of the Series 2025 Bonds, including payments by the

Board under bond enhancement agreements with respect to principal of or interest on the Series 2025 Bonds, when due the resources of the Board to the extent herein provided and the full faith and credit of the State are hereby pledged.

(b) All payments of the principal of and interest on the Bonds, including payments by the Board under bond enhancement agreements with respect to principal of or interest on the Bonds, shall be made from the Land Fund; provided, that if the Legislature of the State shall later provide additional sources from which the principal of or the interest on the Bonds, including payments by the Board under bond enhancement agreements with respect to principal of or interest on the Bonds, may be paid, the Board, its officers, the Comptroller and all other officers and employees of the State are hereby authorized and requested, and, to the extent that they are under the jurisdiction of this Board, directed to take all steps necessary to accomplish the use of such additional funds for such purpose, without releasing the continuing right of the Holders to the present sources prescribed by the Constitutional Provision and the Act for the payment of such principal and interest.

(c) The Board recognizes the absolute and ultimate obligation of the State to provide during each Fiscal Year all moneys necessary to pay the principal of and interest on the Bonds, including money to make payments by the Board under bond enhancement agreements with respect to principal of or interest on the Bonds, and recognizes that the Constitutional Provision provides that to the extent there is not money in the Land Fund available for payment of principal of and interest on the Bonds, including money to make payments by the Board under bond enhancement agreements with respect to principal of or interest on the Bonds, “there is appropriated out of the first money coming into the treasury in each fiscal year, not otherwise appropriated by this constitution, an amount that is sufficient to pay the principal of and interest on the general obligation bonds that mature or come due during that fiscal year or to make bond enhancement payments with respect to those bonds.”

Section 4.4. Other Uses of Land Fund Moneys. (a) The Constitutional Provision provides that receipts of all kinds of the Land Fund determined by the Board not to be required for the payment of principal of and interest on Bonds or other general obligation bonds hereafter authorized by the Constitution of the State to provide money for the Land Fund, including payments by the Board under bond enhancement agreements with respect to principal of or interest on Bonds and such other general obligation bonds, may be used by the Board, to the extent not inconsistent with the proceedings authorizing such bonds, to (1) make temporary transfers to either Fund I or Fund II to avoid a temporary cash deficiency in that fund or make a transfer to either of those funds for the purposes of that fund; (2) pay the principal of and interest on general obligation bonds issued to provide money for either Fund I or Fund II or make bond enhancement payments with respect to such bonds; or (3) pay the principal of and interest on revenue bonds of the Board or make bond enhancement payments with respect to such bonds. In accordance with the Constitutional Provision, the Board reserves the right to use the moneys in the Land Fund for such purposes, or for any other purpose from time to time authorized by the Constitutional Provision.

(b) The Constitutional Provision also provides that if the Board determines that assets from the Land Fund are not required for the purposes of the Land Fund, the Board may (i) transfer the assets to either Fund I or Fund II, (ii) use the assets to secure revenue bonds issued by the Board under the Constitutional Provision, (iii) use the assets to plan and design, operate, maintain,

enlarge or improve veterans cemeteries, or (iv) use the assets to plan and design, construct, acquire, own, operate, maintain, enlarge, improve, furnish, or equip veterans homes. In accordance with the Constitutional Provision, the Board reserves the right to use the assets from the Land Fund for such purposes, or for any other purpose from time to time authorized by the Constitutional Provision.

Section 4.5. Investments. The moneys of the Land Fund which are not immediately committed to the payment of principal of and interest on the Bonds, the making of Land Loans as herein provided, or the payment of expenses as herein provided may be invested in Eligible Investments until such funds are needed for such purposes.

ARTICLE V

COVENANTS OF THE BOARD

Section 5.1. Payment Procedures. (a) The Board hereby covenants that it shall establish procedures with the Comptroller whereby sufficient moneys shall be withdrawn from the Land Fund and forwarded to each Paying Agent for the payment of interest on and principal of the Series 2025 Bonds coming due on each interest or principal payment date. In addition, the Board covenants that as of each principal payment date and Interest Payment Date for a series of Series 2025 Bonds it will make available to the applicable Paying Agent the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due. Notwithstanding the foregoing, during any period in which ownership of a series of Series 2025 Bonds is determined only by a book entry at a securities depository for such Series 2025 Bonds, payments made to the securities depository, or its nominee, shall be made in accordance with arrangements between the Board and the securities depository.

If the date for the payment of the principal of or interest on the Series 2025 Bonds is a day other than a Business Day, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due.

Section 5.2. Paying Agent and Registrar. (a) The Board covenants with the Holders that at all times while the Series 2025 Bonds are Outstanding, the Board will provide a competent and legally qualified Paying Agent and Registrar for each series of Series 2025 Bonds under this Resolution, and that the Paying Agent and Registrar for such series shall be one entity, except during any period when such Series 2025 Bonds are registered only by means of a book entry at a securities depository. The Board reserves the right to, and may, at its option, change any Paying Agent or Registrar upon not less than 30 days written notice to such Paying Agent or Registrar. In the event that an entity at any time acting as Paying Agent or Registrar (or the successor thereto by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Board covenants that it will appoint promptly a competent and legally qualified national or state banking institution which shall be an entity organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers, subject to supervision or examination by federal or state authority, and, if the previous Paying Agent or Registrar was a banking institution, whose qualifications substantially are similar to the previous Paying Agent or Registrar, as appropriate, to act as Paying Agent or Registrar under this

Resolution. Upon any change in a Registrar, the previous Registrar promptly shall transfer and deliver the related Bond Register (or a copy thereof), along with all other pertinent books and records relating to the applicable Series 2025 Bonds, to the new Registrar designated and appointed by the Board. Upon any change in a Paying Agent, the previous Paying Agent promptly shall transfer and deliver the records regarding payments of principal of and interest on the applicable Series 2025 Bonds (or a copy thereof) it has kept and maintained, along with all other pertinent books and records relating to payments made regarding such Series 2025 Bonds, to the new Paying Agent designated and appointed by the Board. Upon any change in Paying Agent or Registrar, the Board promptly will cause a written notice thereof to be sent by the new Registrar to each applicable Holder by first class mail, postage prepaid, which notice also shall give the address of the new Paying Agent or Registrar, as appropriate. By accepting the position and performing as such, each Paying Agent and Registrar shall be deemed to have agreed to the provisions of this Resolution, and a certified copy of this Resolution shall be delivered to each Paying Agent and Registrar.

In addition, the Board hereby covenants with the Holders that it will (i) pay the reasonable and standard or customary fees and charges of each Paying Agent for its services with respect to the payment of the principal of and interest on the Series 2025 Bonds, when due, and (ii) pay the fees and charges of each Registrar for services with respect to the transfer of registration of Series 2025 Bonds solely to the extent provided in Section 2.6(f), and with respect to the conversion and exchange of Series 2025 Bonds solely to the extent provided in Section 2.6(f).

Section 5.3. Tax Covenants. The Board does not intend to issue the Series 2025 Bonds in a manner such that the Series 2025 Bonds would constitute obligations described in Section 103(a) of the Internal Revenue Code of 1986 (as amended, the “Code”), and all applicable temporary, proposed and final regulations and procedures promulgated thereunder or promulgated under the Internal Revenue Code of 1954, to the extent applicable to the Code. Accordingly, the Board covenants to take such actions, or refrain from such actions, as to assure that the Series 2025 Bonds are not obligations described in Section 103(a) of the Code.

ARTICLE VI

SUPPLEMENTS AND AMENDMENTS

Section 6.1. Amendment of Resolution With Consent of Holders. (a) The Holders of a series of Series 2025 Bonds aggregating a majority in principal amount of the aggregate principal amount of such Series 2025 Bonds at the time Outstanding (but not including in any case Series 2025 Bonds which may then be held or owned by or for the account of the Board) shall have the right from time to time to approve an amendment of this Resolution affecting such Series 2025 Bonds which may be deemed necessary or desirable by the Board; provided, however, that nothing herein contained shall permit or be construed to permit the amendment of the terms and conditions contained in this Resolution or in such Series 2025 Bonds so as to:

- (i) make any change in the maturity of any of the Series 2025 Bonds of such series;

- (ii) reduce the rate of interest borne by any of the Series 2025 Bonds of such series;
- (iii) reduce the amount of the principal payable on any of the Series 2025 Bonds of such series;
- (iv) modify the terms of payment of principal of or interest on such Series 2025 Bonds, or any of them, or impose any conditions with respect to such payment;
- (v) change the minimum percentage of the principal amount of such Series 2025 Bonds necessary for consent to such amendment; or
- (vi) affect the rights of the Holders of less than all of the Series 2025 Bonds of such series then Outstanding,

unless such amendment or amendments be approved by the Holders of all of such Series 2025 Bonds at the time Outstanding.

(b) If at any time the Board shall desire to amend this Resolution under this Section, the Board shall cause notice of the proposed amendment to be published in a financial newspaper or journal published in the City of New York, New York, or the City of Austin, Texas, once during each calendar week for at least four successive calendar weeks. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of the Board and the designated office of the Registrar for inspection by all holders of such Series 2025 Bonds. Such publication is not required, however, if notice in writing is given to each Holder of the applicable series of Series 2025 Bonds.

(c) Whenever at any time, within one year from the date of this publication of said notice or other service of written notice, the Board shall receive an instrument or instruments executed by the Holders of a majority in aggregate principal amount of Series 2025 Bonds of the applicable series then Outstanding, which instrument or instruments shall refer to the proposed amendment described in said notice and which specifically consent to and approve such amendment in substantially the form of the copy thereof on file with the Registrar, the Board may adopt the amendatory resolution in substantially the same form.

(d) Any consent given by the Holder of a Series 2025 Bond pursuant to the provisions of this Resolution shall be irrevocable for a period of six months from the date of the first publication or mailing of the notice provided for in this Resolution, and shall be conclusive and binding upon all future Holders of the same Series 2025 Bond during such period. Such consent may be revoked at any time after six months from the date of the first publication or mailing of such notice by the holder who gave such consent, or by a successor in title, by filing notice of such revocation with the Registrar and the Board, but such revocation shall not be effective if the Holders of a majority in aggregate principal amount of the Series 2025 Bonds of the applicable series Outstanding as in this Section defined have, prior to the attempted revocation, consented to and approved the amendment.

(e) For the purposes of this Section, proof of ownership of any Series 2025 Bond shall be established by the registration of any such Series 2025 Bond on the Bond Register kept and maintained by the applicable Registrar.

Section 6.2. Amendment of Resolution Without Consent of Holders. The foregoing provisions of this Article notwithstanding, the Board may, without the consent of the Holders, pursuant to amendatory resolution, from time to time:

(i) impose conditions or restrictions additional to, but not in diminution of, those contained in this Resolution, respecting the issuance of Bonds;

(ii) undertake covenants additional to but not inconsistent with those contained in this Resolution;

(iii) correct any ambiguity or correct or supplement any inconsistent or defective provision contained in this Resolution or any amendatory resolution;

(iv) adopt amendments to this Resolution that become effective as to a series of Series 2025 Bonds following a mandatory tender of all of such Series 2025 Bonds then Outstanding; or

(v) adopt amendments to this Resolution that, in the opinion of Bond Counsel, do not adversely affect the Holders.

Section 6.3. Effect of Amendatory Resolutions. Upon the adoption of any amendatory resolution pursuant to the provisions of this Section, this Resolution shall be deemed to be amended in accordance with such amendatory resolution, and the respective rights, duties and obligations of the Board under this Resolution and all the holders of Outstanding Series 2025 Bonds of the applicable series shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such amendments.

Section 6.4. Bonds May Bear Notation of Changes. Series 2025 Bonds of the applicable series authenticated and delivered after the execution of any amendatory resolution pursuant to this Article may bear a notation in form approved by the applicable Registrar as to any matter provided for in such amendatory resolution. If the Board or the applicable Registrar shall so determine, new Series 2025 Bonds of the applicable series so modified as to conform, in the opinion of the Board and such Registrar, to any such amendatory resolution may be prepared and executed by the Board and authenticated and delivered by such Registrar in exchange for Series 2025 Bonds of the applicable series then Outstanding.

ARTICLE VII

FIXED RATE BONDS DEEMED PAID

Section 7.1. Fixed Rate Bonds Deemed Paid. Any Fixed Rate Bond shall be deemed to be paid and no longer Outstanding when payment of the principal of and premium, if any, on such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, redemption, or otherwise), either (i) shall have been made or caused to be made in accordance with

the terms thereof, or (ii) shall have been provided by irrevocably depositing with a paying agent, in trust and irrevocably set aside exclusively for such payment, (1) money sufficient to make such payment or (2) Defeasance Obligations, certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation and expenses of such paying agent for such Fixed Rate Bonds, with respect to which such deposit is made, shall have been paid or the payment thereof provided for. At such time as a Fixed Rate Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits of this Resolution, except for the purposes of any such payment from such money or Defeasance Obligations.

Section 7.2. Application of Trust Money. (a) The deposit under clause (ii) of Section 7.1 shall be deemed a payment of a Fixed Rate Bond as aforesaid when proper notice of redemption of such Bond shall have been given, in accordance with this Resolution. Any money so deposited with a paying agent as provided in this Section may at the discretion of the Board also be invested in Defeasance Obligations, maturing in the amounts and at the times as hereinbefore set forth, and all income from all Defeasance Obligations in possession of a paying agent pursuant to this Section which is not required for the payment of such Bond and premium, if any, and interest thereon, with respect to which such money has been so deposited, shall be turned over to the Board.

(b) Notwithstanding any provision of any other Section of this Resolution which may be contrary to the provisions of this Section, all money or Defeasance Obligations set aside and held in trust pursuant to the provisions of this Section for the payment of principal of the particular Fixed Rate Bonds and premium, if any, and interest thereon, shall be applied to and used solely for the payment of the particular Fixed Rate Bonds and premium, if any, and interest thereon, with respect to which such money or Defeasance Obligations have been so set aside in trust.

(c) Notwithstanding anything elsewhere in this Resolution contained, if money or Defeasance Obligations have been deposited or set aside with a paying agent pursuant to this Section for the payment of Fixed Rate Bonds and such Fixed Rate Bonds shall not have in fact been actually paid in full, no amendment to the provisions of this Section shall be made without the consent of the Holder of each Fixed Rate Bond affected thereby.

ARTICLE VIII

CONTINUING DISCLOSURE UNDERTAKING

Section 8.1. Definitions. As used in this Article, the following terms have the meanings ascribed to such terms below:

“EMMA” means the Electronic Municipal Market Access website of the MSRB, with the web address as of the date hereof of www.emma.msrb.org.

“MSRB” means the Municipal Securities Rulemaking Board.

“Rule” means SEC Rule 15c2-12, as amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

Section 8.2. Annual Reports. The Board shall provide annually to the MSRB, within six months after the end of each fiscal year ending in or after 2025, financial information and operating data with respect to the Board of the general type included in each final Official Statement authorized by Section 2.9 of this Resolution, being the information described in Exhibit D hereto. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles described in Exhibit D hereto, (2) audited, if the Board commissions an audit of such statements and the audit is completed within the period during which they must be provided, and (3) submitted through EMMA, in an electronic format with accompanying identifying information, as prescribed by the MSRB. If the audit of such financial statements is not complete within such period, then the Board shall provide unaudited financial statements by the required time and will provide audited financial statements for the applicable fiscal year to the MSRB, when and if the audit report on such financial statements becomes available.

If the Board changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Board otherwise would be required to provide financial information and operating data pursuant to this Section.

If the Board changes the accounting principles under which its financial statements to be provided are prepared, it will provide notice of such change to the MSRB, including identification of the new accounting principles and such additional information as may be required under the Rule.

The financial information and operating data to be provided pursuant to this Section 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 EMMA or filed with the SEC.

Section 8.3. Event Notices. The Board shall notify the MSRB, in a timely manner but in any event within ten Business Days, of any of the following events with respect to a series of Series 2025 Bonds subject to the Rule:

- (A) Principal and interest payment delinquencies;
- (B) Non-payment related defaults, if material;
- (C) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (D) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (E) Substitution of credit or liquidity providers, or their failure to perform;
- (F) Adverse tax opinions, 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 such Series 2025 Bonds, or other material events affecting the tax status of such Series 2025 Bonds;

(G) Modifications to rights of holders of such Series 2025 Bonds, if material;

(H) Series 2025 Bond calls of the applicable series, if material, and tender offers;

(I) Defeasances;

(J) Release, substitution, or sale of property securing repayment of such Series 2025 Bonds, if material;

(K) Rating changes;

(L) Bankruptcy, insolvency, receivership or similar event of the Board;

(M) Consummation of a merger, consolidation or acquisition involving the Board or the sale of all or substantially all of the assets of the Board, other than in the ordinary course of business, the entry of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, or than pursuant to its terms, if material; and

(N) Appointment of a successor Paying Agent or Registrar or change in the name of the applicable Paying Agent or Registrar, if material.

As used in clause (L) above, the phrase “bankruptcy, insolvency, receivership or similar event” means the appointment of a receiver, fiscal agent or similar officer for the Board in a proceeding under the U.S. 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 Board, or if jurisdiction has been assumed by leaving the Board and official or officers of the Board 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 Board.

The Board shall notify the MSRB, in a timely manner, of any failure by the Board to provide financial information or operating data in accordance with Section 8.2 of this Resolution by the time required by such Section.

Section 8.4. Limitations, Disclaimers and Amendments. The Board shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the Board remains an “obligated person” with respect to a series of Series 2025 Bonds within the meaning of the Rule, except that the Board in any event will give the notice required by Section 8.3 of any Series 2025 Bond calls and defeasance of the applicable series that cause the Board to be no longer such an “obligated person.”

The provisions of this Article are for the sole benefit of the Holders and beneficial owners of the Series 2025 Bonds, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Board undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Board's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The Board does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Series 2025 Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE BOARD BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY SERIES 2025 BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE BOARD, WHETHER FROM NEGLIGENCE OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

Nothing in this Article is intended or shall act to disclaim, waive, or otherwise limit the duties of the Board under federal and state securities laws.

The provisions of this Article may be amended by the Board from time to time 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 Board, but only if (1) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Series 2025 Bonds in the primary offering of a series of Series 2025 Bonds 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 (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Resolution that authorizes such an amendment) of the Outstanding Series 2025 Bonds of the applicable series consent to such amendment or (b) a Person that is unaffiliated with the Board (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the applicable series of Series 2025 Bonds. If the Board so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 8.2 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

Anything in this Resolution to the contrary notwithstanding, the provisions of this Article may be modified for a particular series of Series 2025 Bonds as set forth in the Pricing Certificate relating thereto.

ARTICLE IX

ADDITIONAL PROVISIONS RELATING TO SERIES 2025 BONDS

Section 9.1. Interest Rates and Payment. (a) General. Each Outstanding Weekly Rate Bond shall bear interest at the Weekly Interest Rate therefor, each Fixed Rate Bond shall bear interest at the Fixed Interest Rate therefor, each Purchased Bond shall bear interest at the Purchased Bond Rate therefor, and each Variable Rate Bond shall bear interest as provided in the related Purchase Contract or Pricing Certificate; provided, however, that in no event shall the interest rate on any Series 2025 Bond exceed the Ceiling Rate; and provided further that in no event shall the Purchased Bond Rate exceed the Maximum Purchased Bond Rate. Unless provided to the contrary in the related Purchase Contract or Pricing Certificate, each Series 2025 Bond shall bear interest from its date (except for an Initial Series 2025 Bond that is not a Fixed Rate Bond, which shall bear interest from the Settlement Date), and interest on each Series 2025 Bond for each Interest Accrual Period shall be payable on each Interest Payment Date applicable to such Series 2025 Bond; provided, however, that the Holder (other than a Liquidity Provider) of a Weekly Rate Bond shall be paid interest thereon for an Interest Accrual Period only in the amount that would have accrued thereon at the Weekly Interest Rate, regardless of whether such Weekly Rate Bond was a Purchased Bond during any portion of such Interest Accrual Period, and the amount, if any, accrued as interest on such Weekly Rate Bond at the Purchased Bond Rate in excess of the amount required to be paid to such Holder shall be paid by the Board to a Liquidity Provider in accordance with the related Liquidity Facility.

(b) Payment and Calculation of Interest. Interest on the Series 2025 Bonds shall be paid in arrears. Interest on Weekly Rate Bonds (including Purchased Bonds) shall be computed on the basis of a 365/366-day year, for the number of days actually elapsed. Interest on Fixed Rate Bonds shall be computed on the basis of a 360-day year consisting of twelve (12) thirty (30) day months. Interest on Variable Rate Bonds shall be computed as set forth in the related Purchase Contract or Pricing Certificate.

(c) Ceiling Rate. Anything to the contrary contained herein notwithstanding, the maximum rate of interest on the Series 2025 Bonds at any time shall be the Ceiling Rate.

(d) Purchased Bonds. All Purchased Bonds shall bear interest at the Purchased Bond Rate therefor, which shall be payable at such times, in such amounts and in such manner as is provided in the related Liquidity Facility. The maximum rate of interest permitted on Purchased Bonds shall be the Maximum Purchased Bond Rate. Any determination of the Purchased Bond Rate pursuant to a Liquidity Facility shall be conclusive and binding on the Board. Anything contained in this Resolution notwithstanding, it is the express intention of the Board that the purchase of Purchased Bonds by the Comptroller, as Liquidity Provider pursuant to a Liquidity Facility, shall not extinguish the debt represented by such Purchased Bonds, which under such circumstances shall remain Outstanding and unpaid for all purposes of this Resolution.

Section 9.2. Determination of Weekly Interest Rate. (a) Weekly Rate Bonds shall bear interest at the Weekly Interest Rate, which shall be determined by the applicable Remarketing Agent by 4:30 p.m., New York City time, on Tuesday of each week during such Weekly Interest Rate Period, or if such day shall not be a Business Day, then on the next succeeding Business Day,

provided that the first Weekly Interest Rate for a series of Weekly Rate Bonds shall be determined by the Initial Purchaser thereof on the date of execution of the related Purchase Contract in the manner set forth in this paragraph. The first Weekly Interest Rate for a series of Weekly Rate Bonds shall apply to the period commencing on the Settlement Date therefor and ending on the next succeeding Tuesday. Thereafter, each Weekly Interest Rate shall apply to the period commencing on Wednesday and ending on the next succeeding Tuesday, unless such Weekly Interest Rate Period shall end on a day other than Tuesday, in which event the last Weekly Interest Rate for such Weekly Interest Rate Period shall apply to the period commencing on the Wednesday preceding the last day of such Weekly Interest Rate Period and ending on the last day of such Weekly Interest Rate Period. The Weekly Interest Rate for a series of Weekly Rate Bonds shall be the rate of interest per annum determined by the Remarketing Agent therefor (based on then prevailing market conditions) to be the minimum interest rate which, if borne by such Weekly Rate Bonds, would enable such Remarketing Agent to sell such Weekly Rate Bonds on such date of determination at a price (without regarding accrued interest) equal to the principal amount thereof. In the event that such Remarketing Agent fails to establish a Weekly Interest Rate for any week, then the Weekly Interest Rate for such week shall be the same as the Weekly Interest Rate for the immediately preceding week if the Weekly Interest Rate for such preceding week was determined by such Remarketing Agent. In the event that the Weekly Interest Rate for the immediately preceding week was not determined by such Remarketing Agent, or in the event that the Weekly Interest Rate determined by such Remarketing Agent shall be held to be invalid or unenforceable by a court of law, then the interest rate for such week shall be equal to the most recently available SOFR rate plus 0.25% per annum, or if such rate is no longer available, or no such rate was so made available for the week preceding the date of determination, 100% of the interest rate on 30-day high grade unsecured commercial paper notes sold through dealers by major corporations as reported in The Wall Street Journal on the day the Weekly Interest Rate would otherwise be determined as provided herein for such Weekly Interest Rate Period.

(b) The first Interest Rate Period for a series of Weekly Rate Bonds shall commence on the Settlement Date and shall be a Weekly Interest Rate Period. The initial Weekly Interest Rate to be borne by such Weekly Rate Bonds shall be determined by the Initial Purchaser thereof in the manner set forth in the preceding paragraph.

(c) Notices. On each date on which a Remarketing Agent determines the interest rate on any Weekly Rate Bond, such Remarketing Agent shall give the Board and the applicable Tender Agent, Paying Agent and Liquidity Provider notice by facsimile or e-mail transmission of the interest rate determined by such Remarketing Agent on such date. Upon telephonic request, such Remarketing Agent will give any Holder of the applicable series of Weekly Rate Bonds notice of the interest rate on such Weekly Rate Bonds owned by such Holder.

(d) Binding Effect. Each determination of the interest rate for the Weekly Rate Bonds, as provided herein, shall be conclusive and binding upon the owners of the Weekly Rate Bonds, the Board and the applicable Remarketing Agent, Tender Agent, Liquidity Provider and Paying Agent. Upon telephonic request to a Remarketing Agent from the Board, the Paying Agent, the applicable Liquidity Provider or any Holder of any Weekly Rate Bond of the applicable series, the Remarketing Agent shall inform such Person of the interest rate then in effect on such Weekly Rate Bonds. Failure of such Remarketing Agent to give any notice described in this Section, or any defect therein, shall not affect the interest rate to be borne by any of any Weekly Rate Bonds

of the applicable series nor in any way change the rights of the Holders of such Weekly Rate Bonds to tender their Weekly Rate Bonds for purchase in accordance with this Resolution.

Section 9.3. Fixed Interest Rate. (a) Determination of Fixed Interest Rate. During a Fixed Interest Rate Period, each Series 2025 Bond shall bear interest at the Fixed Interest Rate therefor. The Fixed Interest Rate for each stated maturity of Series 2025 Bonds issued as Weekly Rate Bonds shall be determined by the applicable Remarketing Agent on a Business Day not less than 15 days prior to the effective date of the Fixed Interest Rate Period therefor. The Fixed Interest Rate for each stated maturity shall be the rate of interest per annum determined by such Remarketing Agent (based on then prevailing market conditions) to be the minimum interest rate, if any, at which such Remarketing Agent will agree to purchase the applicable series of Series 2025 Bonds on such effective date for resale at a price (without regarding accrued interest) equal to the principal amount thereof. If, for any reason, the Fixed Interest Rate for each stated maturity is not so determined for such Series 2025 Bonds by such Remarketing Agent at least 15 days prior to the first day of the Fixed Interest Rate Period therefor, then such Series 2025 Bonds shall bear interest at a Weekly Interest Rate as provided in Section 9.2, and shall continue to bear interest at a Weekly Interest Rate determined in accordance with Section 9.2 until such time as the interest rate on such Series 2025 Bonds shall have been adjusted to a Fixed Interest Rate, and such Series 2025 Bonds shall continue to be subject to purchase upon notice from the Holders thereof as described in Section 9.4(a). The related Liquidity Facility shall be terminated as to such Fixed Rate Bonds.

(b) Adjustment to Fixed Interest Rate Period.

(i) At any time, the Board, by written direction to the applicable Registrar, Tender Agent, Paying Agent, Liquidity Provider and Remarketing Agent, may elect that a series of Weekly Rate Bonds shall be subject to a Fixed Interest Rate Period. The direction of the Board required by the first sentence of this paragraph (i) shall specify the effective date of the Fixed Interest Rate Period, which date shall be (A) a Business Day not earlier than the 30th day following the second Business Day after receipt by the applicable Registrar of such direction, and (B) the day immediately following the last day of a Weekly Interest Rate Period.

(ii) Such direction of the Board shall be accompanied by a form of the notice to be mailed by the applicable Registrar to the Holders of the series of Weekly Rate Bonds to be converted as provided in Section 9.3(c).

(iii) If the Board shall deliver to the applicable Registrar, Remarketing Agent and Tender Agent on or prior to the date that the interest rate for the Fixed Interest Rate Period is determined a notice to the effect that the Board elects to rescind its election to have the series of Weekly Rate Bonds to be converted become subject to a Fixed Interest Rate Period, then such Series 2025 Bonds shall not become subject to a Fixed Interest Rate Period, and such Series 2025 Bonds shall bear interest at a Weekly Interest Rate as in effect prior to such event.

(c) Notice of Adjustment to Fixed Interest Rate Period. The applicable Registrar shall give notice by first class mail of an adjustment to a Fixed Interest Rate Period to the Holders of the series of Weekly Rate Bonds to be converted not less than 30 days prior to the effective date

of such Fixed Interest Rate Period. Such notice shall state: (1) that the Interest Rate Period on such Series 2025 Bonds shall be adjusted to a Fixed Interest Rate Period unless the Board shall elect, on or prior to the date of determination of the Fixed Interest Rate, to rescind its election to cause the adjustment of the Interest Rate Period on such Series 2025 Bonds to the Fixed Interest Rate Period, in which case such Series 2025 Bonds shall continue to bear interest at a Weekly Interest Rate as in effect immediately prior to such proposed adjustment in the Interest Rate Period, (2) the effective date of the Fixed Interest Rate Period, (3) that such Series 2025 Bonds are subject to mandatory tender for purchase on such effective date and the purchase price applicable thereto, (4) that the related Liquidity Facility will be terminated as of the effective date of such Fixed Interest Rate Period, and (5) if ownership of such Series 2025 Bonds is no longer determined only by a book entry at a securities depository for the Series 2025 Bonds, information with respect to the required delivery of bond certificates and payment of purchase price under Section 9.4(f) hereof.

(d) If the Board elects to convert a series of Weekly Rate Bonds to Fixed Rate Bonds, then the written direction furnished by the Board to the applicable Liquidity Provider, Registrar, Tender Agent and Remarketing Agent shall be made by registered or certified mail, or by e-mail or fax, confirmed by registered or certified mail. Any such direction of the Board shall be accompanied by a copy of the notice required to be given by the applicable Registrar pursuant to Section 9.3(c) hereof.

Section 9.4. Purchase of Weekly Rate Bonds. (a) Optional Tender for Purchase. If ownership of a series of Weekly Rate Bonds is determined only by a book entry at a securities depository for such Series 2025 Bonds, a Beneficial Owner (through its DTC Participant) may tender his interest in a Weekly Rate Bond of such series on any Business Day at a purchase price equal to the principal amount thereof plus accrued interest, if any, from and including the Interest Payment Date immediately preceding the date of purchase through and including the day immediately preceding the date of purchase, unless the date of purchase shall be an Interest Payment Date, in which case at a purchase price equal to the principal amount thereof, payable in immediately available funds, upon delivery to the applicable Tender Agent at its designated corporate trust office for delivery of notices, with a copy to the applicable Remarketing Agent, of an irrevocable written notice or telephonic notice, promptly confirmed in writing, which states the principal amount of such Weekly Rate Bond and the date on which the same shall be purchased, which date shall be a Business Day not prior to the seventh day next succeeding the date of the delivery of such notice to such Tender Agent. Any notice delivered to such Tender Agent after 4:00 p.m., New York City time, shall be deemed to have been received on the next succeeding Business Day.

Such Tender Agent shall promptly (but no later than the next Business Day) send a copy of any notice delivered to it pursuant to this Section 9.4(a) by fax or other electronic means to the applicable Remarketing Agent and Liquidity Provider. On the date for purchase specified in the notice, the Beneficial Owner shall effect delivery of such Series 2025 Bonds by causing the DTC Participant through which such Beneficial Owner owns such Series 2025 Bonds to transfer its interest in such Series 2025 Bonds equal to such Beneficial Owner's interest on the records of DTC to the participant account of the applicable Tender Agent with DTC.

If ownership of a series of Weekly Rate Bonds is not determined only by a book entry at a securities depository for such Series 2025 Bonds, a Holder of a Weekly Rate Bond of such series may tender its Series 2025 Bond by delivery of the notice described above by the time set forth above and shall also deliver such Series 2025 Bond to the Tender Agent on the date specified for purchase.

(b) Mandatory Tender for Purchase on First Day of Fixed Interest Rate Period. A series of Weekly Rate Bonds shall be subject to mandatory tender for purchase on the first day of the Fixed Interest Rate Period therefor, or on the day which would have been the first day of such Fixed Interest Rate Period had the event specified in Section 9.3(b)(iii) not occurred which resulted in the interest rate on such Series 2025 Bonds not being adjusted, at a purchase price, payable in immediately available funds, equal to the principal amount of such Series 2025 Bonds, plus accrued interest (if any).

(c) Mandatory Tender for Purchase Upon Termination, Expiration, Suspension, Modification or Replacement of Liquidity Facility. If at any time the Registrar for a series of Weekly Rate Bonds shall give notice in accordance with Section 9.7 that such Weekly Rate Bonds which, at such time, are subject to purchase under the related Liquidity Facility as then in effect, shall on the date specified in such notice cease to be subject to purchase from such Liquidity Facility as a result of (A) the termination or expiration of the term of such Liquidity Facility, or (B) such Liquidity Facility being suspended, replaced or modified with the effect that the purchase price of such Series 2025 Bonds is no longer payable from such Liquidity Facility (in each case, whether or not any Alternate Liquidity Facility has been obtained), then on the Business Day the Board specifies to such Registrar that is at least five days and no more than 15 days (or, if no such date is specified, the fifth calendar day (or the immediately preceding Business Day if such day is not a Business Day)) preceding any termination, expiration, suspension, modification or replacement of such Liquidity Facility each such Series 2025 Bond or Series 2025 Bonds shall be purchased or deemed purchased as provided herein. The purchase price for such Series 2025 Bonds shall be equal to the principal amount thereof, plus accrued interest (if any).

(d) Mandatory Tender for Purchase Following Event of Default Under Liquidity Facility. All Weekly Rate Bonds of a series shall be subject to mandatory tender for purchase on the tenth day (or the next succeeding Business Day if such day is not a Business Day) following receipt by the applicable Tender Agent of notice from the applicable Liquidity Provider that an “Event of Default” has occurred under the applicable Liquidity Facility and directing the mandatory purchase of such Weekly Rate Bonds. No later than the third Business Day following receipt of such notice described above, such Tender Agent shall give notice by first class mail, postage prepaid, to the Holders of such Series 2025 Bonds, the Board and the applicable Remarketing Agent stating that an “Event of Default” has occurred under the Liquidity Facility and that such Series 2025 Bonds are subject to mandatory tender for purchase.

(e) Notice of Mandatory Tender for Purchase. In connection with any mandatory tender for purchase of a series of Weekly Rate Bonds in accordance with Section 9.4(b) or Section 9.4(c), the applicable Registrar shall include notice of a mandatory tender for purchase as a part of the notice given pursuant to Section 9.3(c) or Section 9.7 hereof. Each notice of mandatory tender for purchase shall state (A) in the case of a mandatory tender for purchase pursuant to Section 9.4(c) hereof, that the applicable Liquidity Facility will expire, terminate, be suspended, be

replaced or be modified and that the purchase price of such Weekly Rate Bonds shall no longer be payable from such Liquidity Facility then in effect and that any rating applicable thereto may be reduced or withdrawn; (B) in the case of a mandatory tender for purchase pursuant to Section 9.4(d) hereof, that an “Event of Default” has occurred under such Liquidity Facility; (C) that the purchase price of any Weekly Rate Bond so subject to mandatory purchase shall be payable only upon (i) if ownership of such Weekly Rate Bonds is not determined only by a book entry at a securities depository for such Weekly Rate Bonds, surrender of such Weekly Rate Bond to the applicable Tender Agent at its designated corporate trust office for delivery of Weekly Rate Bonds, accompanied by an instrument of transfer thereof, in form satisfactory to such Tender Agent, executed in blank by the Holder thereof or his duly authorized attorney, with such signature guaranteed by a bank, trust company or member firm of the New York Stock Exchange or (ii) if ownership of such Weekly Rate Bonds is determined only by a book entry at a securities depository for such Weekly Rate Bonds, registration of the ownership rights in such Weekly Rate Bond to the applicable Tender Agent on the records of DTC; (D) that, provided that moneys sufficient to effect such purchase have been provided through the remarketing of such Weekly Rate Bonds by the applicable Remarketing Agent or through the applicable Liquidity Facility or otherwise, all Weekly Rate Bonds so subject to mandatory tender for purchase shall be purchased on the mandatory purchase date, and that if any Holder of a Weekly Rate Bond subject to mandatory tender for purchase shall not surrender such Weekly Rate Bond to the applicable Tender Agent for purchase (or if ownership of such Weekly Rate Bonds is determined only by a book entry at a securities depository for such Weekly Rate Bonds, effect the transfer of ownership rights to the applicable Tender Agent on the records of DTC) on such mandatory purchase date, and moneys sufficient to pay the purchase price thereof are on deposit with the applicable Tender Agent, then such Weekly Rate Bond shall be deemed to be an Undelivered Bond, and that no interest shall accrue thereon on and after such mandatory purchase date and that the Holder thereof shall have no rights under this Resolution other than to receive payment of the purchase price thereof; and (E) in the event that moneys sufficient to pay the purchase price of such Weekly Rate Bonds have not been provided to the applicable Tender Agent either through the remarketing of such Weekly Rate Bonds or from the applicable Liquidity Facility or otherwise, that such Weekly Rate Bonds shall not be purchased or deemed purchased and shall bear interest at the rate described in Section 9.15 hereof. In connection with any mandatory tender for purchase of Weekly Rate Bonds in accordance with Section 9.4(c) hereof as a result of the replacement, termination or expiration of a Liquidity Facility, such notice also shall contain the information required by Section 9.7. The Board shall provide the applicable Registrar with a form of any such notice.

(f) Delivery of Tendered Weekly Rate Bonds. Subject to the provisions of Section 2.10 hereof if ownership of a series of Weekly Rate Bonds is determined only by a book entry at a securities depository for such Weekly Rate Bonds, for payment of the purchase price of any such Weekly Rate Bond required to be purchased pursuant to this Section 9.4 on the date specified, such Weekly Rate Bond must be delivered, at or prior to 10:00 a.m., New York City time, on the date specified in such notice, to the applicable Tender Agent at its designated corporate trust office for delivery of Weekly Rate Bonds, accompanied by an instrument of transfer thereof, in form satisfactory to such Tender Agent, executed in blank by the Holder thereof or his duly authorized attorney, with such signature guaranteed by a commercial bank, trust company or member firm of the New York Stock Exchange. In the event any such Weekly Rate Bond is delivered after 10:00 a.m., New York City time, on such date, payment of the purchase price of such Weekly Rate Bond need not be made until the Business Day following the date of delivery

of such Weekly Rate Bond, but such Weekly Rate Bond shall nonetheless be deemed to have been purchased on the date specified in such notice and no interest shall accrue thereon after such date.

(g) Irrevocable Notice Deemed to be Tender of Weekly Rate Bond; Undelivered Bonds.

(i) The giving of notice by an owner of a Weekly Rate Bond as provided in Section 9.4(a) hereof shall constitute the irrevocable tender for purchase of each such Weekly Rate Bond with respect to which such notice shall have been given, regardless of whether such Weekly Rate Bond is delivered to the applicable Tender Agent for purchase on the relevant purchase date as provided in Section 9.4 hereof provided that moneys sufficient to pay the purchase price of such Weekly Rate Bonds are on deposit with the applicable Tender Agent for such purpose.

(ii) A Tender Agent may refuse to accept delivery of any Weekly Rate Bonds for which a proper instrument of transfer has not been provided; such refusal, however, shall not affect the validity of the purchase of such Weekly Rate Bond as herein described. If any owner of a Weekly Rate Bond who shall have given notice of tender of purchase pursuant to Section 9.4(a) hereof, if ownership of the related series of Weekly Rate Bonds is not determined only by a book entry at a securities depository for such Weekly Rate Bonds, shall fail to deliver such Weekly Rate Bond to the applicable Tender Agent at the place and on the applicable date and at the time specified, or shall fail to deliver such Weekly Rate Bond properly endorsed, or if ownership of such Weekly Rate Bonds is determined only by a book entry at a securities depository for such Weekly Rate Bonds, shall fail to cause its beneficial ownership to be transferred to the applicable Tender Agent on the records of DTC, and moneys sufficient to pay the purchase price thereof are on deposit with such Tender Agent for such purpose, such Weekly Rate Bond shall constitute an Undelivered Bond. If funds in the amount of the purchase price of the Undelivered Bonds (including the Undelivered Bonds referred to in Section 9.4(e) hereof) are available for payment to the owner thereof on the date and at the time specified, from and after the date and time of that required delivery, (1) each Undelivered Bond shall be deemed to be purchased and shall no longer be deemed to be outstanding under this Resolution; (2) interest shall no longer accrue thereon; and (3) funds in the amount of the purchase price of each such Undelivered Bond shall be held by the applicable Tender Agent for the benefit of the owner thereof (provided that the owner shall have no right to any investment proceeds derived from such funds), to be paid on delivery (and proper endorsement) of such Undelivered Bond to such Tender Agent at its designated office for delivery of Weekly Rate Bonds. Any funds held by such Tender Agent as described in clause (3) of the preceding sentence shall be held uninvested and not commingled.

Section 9.5. Amendments to Liquidity Facility. Except with the consent of all the Holders of a series of Weekly Rate Bonds, neither the Board nor the applicable Tender Agent shall permit any amendment, supplement, modification or waiver to the applicable Liquidity Facility that would result in the rating assigned to such Weekly Rate Bonds by the applicable Rating Agency being withdrawn or reduced below that in effect prior to such amendment, supplement, modification or waiver.

Section 9.6. Alternate Liquidity Facility. If at any time there shall be delivered to a Tender Agent (i) an Alternate Liquidity Facility, (ii) written evidence from the applicable Rating Agency stating the ratings of the applicable series of Weekly Rate Bonds after substitution of such Alternate Liquidity Facility, or a statement of the Board that no ratings have been obtained, and (iii) an opinion of counsel to the effect that such Alternate Liquidity Facility is a valid and enforceable obligation of the issuer or provider thereof, then such Tender Agent shall accept such Alternate Liquidity Facility and, if the applicable Liquidity Facility then in effect is a letter of credit, promptly surrender such Liquidity Facility to the Liquidity Provider that issued such Liquidity Facility in accordance with its terms for cancellation. Anything in this Resolution to the contrary notwithstanding, following satisfaction of the requirements set forth in this Section 9.6 and the mandatory tender for purchase of a series of Weekly Rate Bonds pursuant to Section 9.4(c) hereof in connection with the provision of any Alternate Liquidity Facility, (i) such Alternate Liquidity Facility may at any time thereafter specified by the Board to the applicable Tender Agent become the Liquidity Facility for such Weekly Rate Bonds for all purposes of this Resolution, and (ii) the Liquidity Facility replaced by such Alternate Liquidity Facility may be terminated at any time after such replacement.

Section 9.7. Notice of Termination or Other Change in Liquidity Facility. The applicable Registrar shall give notice by mail to the Holders of a series of Weekly Rate Bonds on or before the 15th day preceding (i) the expiration of any applicable Liquidity Facility in accordance with its terms, or (ii) any termination, replacement or modification of the terms of the applicable Liquidity Facility, which notice shall, to the extent applicable, (1) state the date of such replacement, termination, expiration or modification and the date of the proposed substitution of the Alternate Liquidity Facility (if any), and (2) state the date that such Weekly Rate Bonds will be purchased pursuant to Section 9.4(c) hereof as a result of such replacement, termination, expiration or modification. The Board shall provide the applicable Registrar with written notice of any information required to enable such Registrar to give the foregoing notice and shall provide such Registrar with the form of such notice at least five days before such notice is required to be given.

Section 9.8. Remarketing Agent and Tender Agent. (a) Subject to execution of a Remarketing Agreement, the initial Remarketing Agent for a series of Weekly Rate Bonds shall be as designated in the applicable Purchase Contract or Pricing Certificate. The Board shall appoint any successor Remarketing Agent subject to the conditions set forth in Section 9.9(a) hereof. Each Remarketing Agent shall designate its designated office (other than the initial Remarketing Agent whose designated office is listed in Section 9.16 hereof) and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Board under which such Remarketing Agent will agree, particularly, to keep such books and records with respect to its duties as Remarketing Agent as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Board at all reasonable times.

(b) The initial Tender Agent for a series of Weekly Rate Bonds shall be as designated in the applicable Purchase Contract or Pricing Certificate. The Board shall appoint any successor Tender Agent, subject to the conditions set forth in Section 9.9(b) hereof. Each Tender Agent shall designate its designated office(s) for delivery of notices and delivery of Weekly Rate Bonds and signify its acceptance of the duties and obligations imposed upon it hereunder by a written

instrument of acceptance delivered to the Board and the applicable Registrar, Liquidity Provider and Remarketing Agent. By acceptance of its appointment hereunder, each Tender Agent agrees:

(i) to hold all Weekly Rate Bonds delivered to it pursuant to Section 9.4 hereof, as agent and bailee of, and in escrow for the benefit of, the respective owners which shall have so delivered such Weekly Rate Bonds until moneys representing the purchase price of such Weekly Rate Bonds shall have been delivered to or for the account of or to the order of such owners;

(ii) to establish and maintain a separate segregated trust fund designated as the "State of Texas Veterans Land Bonds, Taxable Series 2025 Bond Purchase Fund" (each, a "Bond Purchase Fund") (with the specific series designation to replace "2025," if applicable), and to establish and maintain therein a remarketing account (the "Remarketing Account") and a liquidity facility account (the "Purchase Account"), until such time as it has been discharged from its duties as Tender Agent hereunder;

(iii) to hold all moneys (without investment thereof) delivered to it hereunder in the Bond Purchase Fund for the purchase of Weekly Rate Bonds pursuant to Section 9.4 hereof, as agent and bailee of, and in escrow for the benefit of, the Person which shall have so delivered such moneys until the Weekly Rate Bonds purchased with such moneys shall have been delivered to or for the account of such Person;

(iv) to hold all moneys delivered to it by the Board for the purchase of Weekly Rate Bonds pursuant to Section 9.4 hereof, as agent and bailee of, and in escrow for the benefit of, the owners or former owners who shall deliver Weekly Rate Bonds to it for purchase until the Weekly Rate Bonds purchased with such moneys shall have been canceled;

(v) to hold all Weekly Rate Bonds registered in the name of the new owners thereof which have been delivered to it by the applicable Registrar for delivery to the applicable Remarketing Agent in accordance with the provisions of this Resolution; and

(vi) to keep such books and records as shall be consistent with standard industry practice and to make such books and records available for inspection by the Board, the applicable Liquidity Provider and the applicable Remarketing Agent at all reasonable times.

Section 9.9. Qualifications of Remarketing Agent and Tender Agent; Resignation; Removal.

(a) Each Remarketing Agent shall be a member of the Financial Industry Regulatory Authority, having a combined capital stock, surplus and undivided profits of at least \$250,000,000 and authorized by law to perform all the duties imposed upon it by this Resolution. Any successor Remarketing Agent shall have, or be a subsidiary of another entity or a partnership which includes as a general partner an entity which shall have, senior unsecured long-term debt which shall be rated, so long as the Weekly Rate Bonds shall be rated by the Rating Agency, at least Baa3/P-3 (or its equivalent) or otherwise qualified by the Rating Agency. A Remarketing Agent may at any time resign and be discharged of its duties and obligations hereunder upon providing the Board

and the applicable Tender Agent, Liquidity Provider, Paying Agent and Registrar with at least 30 days' (or such number of days as is required by the applicable Remarketing Agreement) prior written notice. A Remarketing Agent may be removed at any time, at the direction of the Board with the written consent of the applicable Liquidity Provider, by an instrument signed by the Board and filed with the applicable Tender Agent, Registrar, Liquidity Provider and Remarketing Agent at least 30 days prior to the effective date of such removal. In the event that a Remarketing Agent has resigned or been removed and no successor Remarketing Agent has been appointed by the Board, the applicable Tender Agent shall perform, or engage a Person to perform, the duties of such Remarketing Agent until a successor Remarketing Agent has been appointed by the Board.

(b) Each Tender Agent shall be a bank with trust powers or a trust company duly organized under the laws of the United States of America or any state or territory thereof, and authorized by law to exercise corporate trust powers and otherwise perform all the duties imposed upon it by this Resolution. A Tender Agent may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least 60 days' written notice to the Board and the applicable Registrar, Liquidity Provider and Remarketing Agent. A Tender Agent may be removed at any time by an instrument signed by the Board, filed with the applicable Tender Agent, Registrar, Liquidity Provider and Remarketing Agent. Such resignation or removal shall take effect on the day a successor Tender Agent shall have been appointed by the Board and the successor Tender Agent shall have accepted such appointment.

(c) Upon the effective date of resignation or removal of a Tender Agent, such Tender Agent shall deliver any Weekly Rate Bonds and moneys held by it in such capacity to its successor.

(d) So long as any series of Weekly Rate Bonds are Outstanding, the same entity shall be the Tender Agent and Registrar therefor.

Section 9.10. Notice of Weekly Rate Bonds Delivered for Purchase; Purchase of Weekly Rate Bonds. (a) The Tender Agent for a series of Weekly Rate Bonds shall determine timely and proper delivery of Weekly Rate Bonds of such series pursuant to this Resolution and the proper endorsement of such Weekly Rate Bonds. Such determination shall be binding on the owners of such Weekly Rate Bonds, the Board, the applicable Remarketing Agent and the applicable Liquidity Provider, absent manifest error. Such Tender Agent shall give notice by telephone, e-mail or fax, promptly confirmed by a written notice if given by telephone, to the Board and the applicable Registrar, Remarketing Agent and Liquidity Provider specifying the principal amount of Weekly Rate Bonds, if any, as to which it shall receive notice of tender for purchase in accordance with Section 9.4(a) hereof.

(b) Weekly Rate Bonds required to be purchased in accordance with Section 9.4 hereof shall be purchased from the owners thereof, on the date and at the purchase price at which such Weekly Rate Bonds are required to be purchased. Funds for the payment of such purchase price shall be derived from the following sources in the order of priority indicated:

(i) proceeds of the sale of such Weekly Rate Bonds remarketed to any Person pursuant to Section 9.11 hereof and furnished to the applicable Tender Agent by the purchasers or by the applicable Remarketing Agent for deposit into the Remarketing Account of the applicable Bond Purchase Fund;

(ii) moneys furnished to such Tender Agent for deposit into the Purchase Account of the applicable Bond Purchase Fund representing moneys received from draws on the applicable Liquidity Facility; and

(iii) moneys furnished to such Tender Agent for deposit into the applicable Bond Purchase Fund representing moneys provided by the Board in its discretion.

A Tender Agent may establish separate accounts or sub-accounts within the Bond Purchase Fund for such purposes as such Tender Agent may deem appropriate.

(c) (i) If ownership of a series of Weekly Rate Bonds is no longer determined only by a book entry at a securities depository for such Series 2025 Bonds, the applicable Registrar shall authenticate a new Series 2025 Bond or Series 2025 Bonds of such series in an aggregate principal amount equal to the principal amount of Series 2025 Bonds purchased in accordance with Section 9.10(b) hereof, whether or not the Weekly Rate Bonds so purchased are presented by the owners thereof, bearing a number or numbers not contemporaneously outstanding. Every Series 2025 Bond authenticated and delivered as provided in this Section shall be entitled to all the benefits of this Resolution equally and proportionately with any and all other Series 2025 Bonds of the same series duly issued hereunder. The applicable Registrar shall maintain a record of the Weekly Rate Bonds purchased as provided in this Section, together with the names and addresses of the former owners thereof. If ownership of a series of Weekly Rate Bonds is determined only by a book entry at a securities depository for such Series 2025 Bonds, on any date on which beneficial ownership in such Weekly Rate Bonds is tendered at the option of the owner of such beneficial interest (acting through its DTC Participant) in accordance with Section 9.4(a) hereof (including transfer of the beneficial ownership interest of the tendering owner to the account of the applicable Tender Agent at DTC), the applicable Tender Agent shall transfer ownership of such beneficial ownership on the records of DTC as provided in Section 9.12 hereof. If ownership of a series of Weekly Rate Bonds is determined only by a book entry at a securities depository for such Series 2025 Bonds, on any date on which beneficial ownership interest in such Weekly Rate Bonds is subject to mandatory tender in accordance with Section 9.4 hereof, the applicable Tender Agent shall transfer beneficial ownership of such Series 2025 Bonds on the records of DTC as provided in Section 9.12 hereof, regardless of whether the owners of the beneficial interests subject to mandatory tender transfer their beneficial ownership of such Weekly Rate Bonds to such Tender Agent on the records of DTC, and moneys for the purchase of the beneficial interests subject to mandatory tender shall be transferred by such Tender Agent to DTC for transfer to the owners of such beneficial interests subject to mandatory purchase.

(ii) If ownership of a series of Weekly Rate Bonds is no longer determined only by a book entry at a securities depository for such Series 2025 Bonds, in the event any such Weekly Rate Bonds purchased as provided in this Section shall not be presented to the applicable Tender Agent, such Tender Agent shall segregate and hold the moneys for the purchase price of such Weekly Rate Bonds in trust for the benefit of the former owners of such Weekly Rate Bonds, who shall, except as provided in the following sentence, thereafter be restricted exclusively to such moneys for the satisfaction of any claim for the purchase price of such Weekly Rate Bonds. Any moneys which such Tender Agent shall

segregate and hold in trust for the payment of the purchase price of any Weekly Rate Bond and remaining unclaimed for three years after the date of purchase shall, subject to the unclaimed property laws of the State and upon the Board's written request to such Tender Agent, be paid to the Board. After the payment of such unclaimed moneys to the Board, the former owner of such Weekly Rate Bond shall look only to the Board for the payment thereof, and the Board shall not be liable for any interest thereon and shall not be regarded as a trustee of such moneys. If ownership of a series of Weekly Rate Bonds is determined only by a book entry at a securities depository for such Series 2025 Bonds, if such Weekly Rate Bonds are subject to mandatory tender in accordance with the terms of this Resolution, then the applicable Tender Agent shall transfer beneficial ownership of such Series 2025 Bonds on the records of DTC as provided in Section 9.12 hereof, regardless of whether the owners of the beneficial interests subject to mandatory tender transfer their beneficial ownership of such Weekly Rate Bonds to such Tender Agent on the records of DTC, and moneys for the purchase of the beneficial interests subject to mandatory tender shall be transferred by such Tender Agent to DTC for transfer to the owners of such beneficial interests subject to mandatory purchase.

Section 9.11. Remarketing of Series 2025 Bonds; Notice of Interest Rates. (a) Upon notice of the tender for purchase of Weekly Rate Bonds, the applicable Remarketing Agent shall offer for sale and use its best efforts to sell such Weekly Rate Bonds, any such sale to be made on the date of such purchase in accordance with Section 9.4 hereof at the price determined in accordance with Section 9.4 hereof. Each Remarketing Agent agrees that while a Liquidity Facility is in effect it shall not sell knowingly any Series 2025 Bonds tendered to it for purchase pursuant to Section 9.4 hereof to the Board, or to any Person who controls, is controlled by, or is under common control with, the Board. In addition, each Remarketing Agent shall offer for sale and use its best efforts to sell any applicable Weekly Rate Bonds that are Purchased Bonds.

(b) Each Remarketing Agent shall determine the rate of interest to be borne by the applicable Series 2025 Bonds during each Interest Rate Period and shall furnish to the Board and the applicable Registrar on the Business Day of determination each rate of interest so determined by e-mail, telephone or fax, promptly confirmed in writing if given by telephone, or shall make such information available to the Board and such Registrar by other readily accessible electronic means.

(c) Each Remarketing Agent shall advise the applicable Tender Agent and Liquidity Provider in writing or by telephone (promptly confirmed by e-mail or fax if given by telephone) not later than the Business Day preceding the Business Day on which any applicable Weekly Rate Bonds are to be purchased pursuant to Section 9.4 hereof of the aggregate principal amount of such Weekly Rate Bonds subject to purchase that have not been remarketed as of such time, provided that such Remarketing Agent may continue to remarket such Weekly Rate Bonds thereafter. Each Remarketing Agent shall give e-mail or telephonic notice, promptly confirmed by a written notice if given by telephone, to the applicable Registrar and Tender Agent on each date on which applicable Weekly Rate Bonds shall have been purchased pursuant to Section 9.10(b) hereof, specifying the principal amount of Series 2025 Bonds, if any, sold by it pursuant to Section 9.11(a) hereof along with, if the applicable series of Series 2025 Bonds are not registered as described in Section 2.10 hereof, a list of such purchasers showing the names and denominations in which such Series 2025 Bonds shall be registered, and the addresses and social security or

taxpayer identification numbers of such purchasers. Each Remarketing Agent will transfer the proceeds received from the purchasers named in such notice to the applicable Tender Agent by 10:00 a.m., New York City time, on the Business Day on which such Weekly Rate Bonds are purchased.

Section 9.12. Delivery of Series 2025 Bonds. (a) Weekly Rate Bonds purchased with moneys described in clause (i) of Section 9.10(b) hereof shall be made available by the applicable Tender Agent to the applicable Remarketing Agent for delivery to the purchasers thereof against payment therefor.

(b) Except as otherwise provided in a Liquidity Facility, Weekly Rate Bonds purchased with moneys described in clause (ii) of Section 9.10(b) hereof shall be held by the applicable Tender Agent on behalf of the applicable Liquidity Provider as Purchased Bonds, and shall not be released following the remarketing thereof unless such Tender Agent has received written confirmation from such Liquidity Provider that the applicable Liquidity Facility has been reinstated with respect to such Series 2025 Bonds.

(c) Weekly Rate Bonds purchased with moneys described in clause (iii) of Section 9.10(b) hereof shall be canceled.

(d) Series 2025 Bonds delivered as provided in this Section shall be registered in the manner directed by the recipient thereof.

Section 9.13. Delivery of Proceeds of Sale. The proceeds of the sale by a Remarketing Agent of any applicable Weekly Rate Bonds delivered to it by any Holder shall be turned over to the applicable Tender Agent.

Section 9.14. Draws on Liquidity Facility to Pay Purchase Price of Weekly Rate Bonds. Each Tender Agent, on each day on which applicable Weekly Rate Bonds are required to be purchased pursuant to Section 9.4 hereof, is directed to make drawings under the applicable Liquidity Facility by such times and in such manner as shall be required to receive in immediately available funds on such date amounts sufficient (based upon the amount on deposit in the Remarketing Account of the applicable Bond Purchase Fund by 10:00 a.m., New York City time, on such day) to pay the purchase price plus accrued interest, if any, of Weekly Rate Bonds tendered for purchase or required to be purchased pursuant to the provisions of this Resolution and that have not been remarketed by the applicable Remarketing Agent, and to deposit the proceeds of such drawings or cause such proceeds to be deposited in the Purchase Account of the applicable Bond Purchase Fund pending application of such moneys to the payment of the purchase price of such Weekly Rate Bonds. In determining the amount of any such purchase price then due, such Tender Agent shall not take into consideration any purchase price due on such Weekly Rate Bonds held by the Board or any affiliate thereof, and no drawings under such Liquidity Facility shall be made or be used to pay the purchase price of any Purchased Bonds or Weekly Rate Bonds held by the Board or any affiliate thereof.

Section 9.15. Insufficient Funds for Purchase of Weekly Rate Bonds. If payment of the purchase price of any Weekly Rate Bond shall not be made to the Holder thereof on any date such Weekly Rate Bond has been tendered for purchase pursuant to Section 9.4 hereof, such Weekly

Rate Bond shall be returned by the applicable Tender Agent to the Holder thereof, and shall continue to bear interest at a Weekly Interest Rate determined as provided in Section 9.2 hereof.

Section 9.16. Notices. (a) Except as otherwise expressly provided in this Resolution or set forth in the applicable Purchase Contract or Pricing Certificate, it shall be sufficient service of any notice, request, complaint, demand or other paper if the same shall be duly mailed by registered or certified mail, return receipt requested, postage prepaid, or by overnight delivery service, addressed as follows or delivered by facsimile to the numbers provided as follows:

- | | |
|---------------------------------------|--|
| If to the Board: | Veterans' Land Board of the State of Texas
1700 North Congress Avenue, Room 740C
Austin, Texas 78701-1496
Attn: Director of VLB Bond Funds Management
Telephone: (512) 475-4004
Facsimile: (512) 463-5081 |
| If to a Tender Agent
or Registrar: | as set forth in the applicable Purchase Contract or Pricing
Certificate |
| If to a Remarketing Agent: | as set forth in the applicable Purchase Contract or Pricing
Certificate |
| If to a Liquidity Provider: | as set forth in the applicable Purchase Contract or Pricing
Certificate |
| If to a Paying Agent: | Comptroller of Public Accounts
Treasury Operations
Attention: Funds Transfer
208 E. 10th Street
Austin, Texas 78701
Telephone: (512) 463-5905
E-mail: funds.transfer@cpa.texas.gov |
| If to a Rating Agency: | as set forth in the applicable Purchase Contract or Pricing
Certificate |

Except as otherwise provided or directed herein, a duplicate copy of each notice, certificate or other communication given hereunder by the Board, a Liquidity Provider, a Paying Agent, a Registrar, a Remarketing Agent or a Tender Agent to any one of the others or the Holders shall also be given to all of the others. The Board, a Liquidity Provider, a Paying Agent, a Registrar, a Remarketing Agent or a Tender Agent may, by notice given hereunder, designate any further or different addresses or telephone numbers to which subsequent notices, certificates or other communications shall be sent.

(b) The Board shall provide to the applicable Rating Agency notice in writing or by telephone or fax, promptly confirmed in writing, of

(i) any resignation or removal of any applicable Paying Agent, Registrar, Tender Agent or Remarketing Agent, and the appointment of any successor thereto;

(ii) any conversion of an applicable series of Weekly Rate Bonds to Fixed Rate Bonds;

(iii) any termination, expiration, replacement, suspension or modification of the applicable Liquidity Facility;

(iv) the payment in full of the applicable series of Weekly Rate Bonds;

(v) any mandatory tender of the applicable series of Weekly Rate Bonds; and

(vi) any amendment or material change to this Resolution.

(c) The Board shall provide or cause to be provided to each Rating Agency such information as is reasonably requested in order to maintain its rating on the applicable series of Weekly Rate Bonds.

ARTICLE X

MISCELLANEOUS

Section 10.1. Benefits of Resolution. Nothing in this Resolution or in the Series 2025 Bonds, express or implied, shall give to any Person, other than the Board and each Paying Agent, Registrar, Tender Agent, Liquidity Provider and Remarketing Agent and their successors hereunder and the Holders, any benefit or any legal or equitable right, remedy or claim under this Resolution.

Section 10.2. Bonds to Rank Equally. None of the Bonds shall be entitled to priority over any other Bond in the application of moneys in the Land Fund, nor in the application of moneys appropriated by the Legislature of the State or otherwise made available by law for the payment of principal of and interest on the Bonds, irrespective of the fact that some of the Bonds may be delivered prior to the delivery of other Bonds, it being the intent of this Resolution that all Bonds shall rank equally.

Section 10.3. Enforcement. All rights available to the Holders under the Constitution and laws of the State, by suit for mandamus or otherwise, to compel the performance of their official duties by the Board, its officers and employees, and by other officers of the State to the end that the principal of and interest on the Series 2025 Bonds may be paid promptly, are hereby recognized and reserved to and for the Holders.

Section 10.4. Separability Clause. In case any provision in this Resolution shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 10.5. Governing Law. This Resolution shall be construed in accordance with and governed by the laws of the State.

Section 10.6. Open Meeting. It is hereby officially found and determined that the meeting at which the Series 2025 Bonds were authorized was open to the public as required by law and public notice of the time, place and purpose of said meeting was given as required by Chapter 551 of the Texas Government Code, as amended.

Section 10.7. References to Liquidity Provider. Any provision of this Resolution regarding the consent of, or notice to, or mandating the direction of action by, a Liquidity Provider shall, except as expressly provided, be deemed ineffective (i) if the applicable Liquidity Facility is no longer in effect and no amount is due and owing under such Liquidity Facility, or (ii) as long as such Liquidity Provider has failed to honor a properly presented and conforming drawing under such Liquidity Facility; provided, that except as otherwise expressly set forth herein, for as long as any Purchased Bonds are Outstanding, the applicable Liquidity Provider shall be afforded all the rights and privileges granted hereunder to Holders of the Weekly Rate Bonds of the applicable series.

Section 10.8. Liquidity Facilities Authorized. In connection with the issuance of any series of Weekly Rate Bonds, the Authorized Representatives are hereby severally authorized and directed, in the name and on behalf of the Board, to cause to be issued a Liquidity Facility in accordance with the “Resolution of the Veterans’ Land Board of the State of Texas Authorizing Liquidity Facilities Relating to Bonds Issued or to be Issued in Connection with the Veterans’ Land Program or the Veterans’ Housing Assistance Program, and Providing for Other Matters Relating to the Subject” adopted by the Board on this date or in any comparable resolution adopted by the Board hereafter.

Section 10.9. Remarketing Agreements Authorized. In connection with the issuance of any series of Weekly Rate Bonds, the Authorized Representatives are hereby severally authorized and directed to act for and on behalf of the Board to approve, execute and deliver the related Remarketing Agreement.

Section 10.10. Tender Agent Agreements Authorized. In connection with the issuance of any series of Weekly Rate Bonds, if requested by the Tender Agent for such series, the Authorized Representatives are hereby severally authorized and directed to act for and on behalf of the Board to approve, execute and deliver the related Tender Agent Agreement.

Section 10.11. Authorization of Additional Acts. The officers, employees, and agents of the Board, and each of them, shall be and each is expressly authorized, empowered, and directed from time to time and at any time to do and perform all acts and things and to execute, acknowledge, and deliver in the name and under the seal and on behalf of the Board all certificates, instruments, and other papers, whether or not herein mentioned, as they may determine to be necessary or desirable in connection with the proposed issuance of the Series 2025 Bonds, including without limitation (a) the filing of a notice of intention to issue bonds with the Bond Review Board of the State, and (b) the submission of a transcript of proceedings for approval of the Attorney General, such determination to be conclusively evidenced by the performance of such acts and things and the execution of any such certificate, instrument, or other paper, and any such

actions heretofore carried out by such officers, employees, and agents of the Board are hereby ratified, approved, and confirmed. Prior to each Settlement Date, the Authorized Representatives and Bond Counsel are hereby authorized to approve any technical changes or corrections to this Resolution, or to any of the instruments authorized by this Resolution, necessary in order to (i) correct any ambiguity or mistake or more completely document the transactions contemplated and approved by this Resolution, (ii) obtain a rating from the Rating Agency, or (iii) obtain the approval of the Series 2025 Bonds by the Attorney General.

Section 10.12. Bond Enhancement Agreement Certificate. Notwithstanding anything to the contrary contained in the “Resolution of the Veterans’ Land Board of the State of Texas Authorizing Interest Rate Swap Transactions Relating to Bonds Issued or to be Issued in Connection with Veterans’ Housing Assistance Program Bonds and Veterans’ Land Program Bonds; and Providing for Other Matters Relating to the Subject” adopted by the Board on this date, or in any comparable resolution adopted by the Board hereafter, no certificates shall be required for any floating-to-fixed rate interest rate swap transaction entered into in connection with the anticipated issuance of any series of Weekly Rate Bonds.

ADOPTED AND APPROVED this the [_____] day of November, 2024.

/s/ Dawn Buckingham, M.D.
Chairwoman
Veterans' Land Board of the State of Texas

ATTEST:

/s/ Anthony W. Dale
Executive Secretary
Veterans' Land Board of the State of Texas

EXHIBIT A

FORM OF WEEKLY RATE BOND

[Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]¹

NO. WR- _____ \$ _____

UNITED STATES OF AMERICA

STATE OF TEXAS
VETERANS LAND BOND,
TAXABLE SERIES 2025²

MATURITY DATE: INTEREST RATE: BOND DATE: CUSIP NUMBER:³
_____, ____ Variable _____, 2025 _____

ON THE MATURITY DATE SPECIFIED ABOVE, the State of Texas (hereinafter sometimes called the “Issuer”), acting by and through the Veterans’ Land Board (the “Board”) of the Issuer, hereby promises to pay to _____, or to the registered assignee hereof (either being hereinafter called the “Holder”) the principal amount of _____ DOLLARS and to pay interest thereon, from [the Settlement Date]⁴ [the bond date stated above]⁵ to the date of its scheduled maturity or the date of its redemption prior to scheduled maturity, at the rate of interest per annum determined pursuant to the Resolution (defined below), with said interest being payable on each Interest Payment Date (computed on the basis of a 365/366-day year, for the number of days actually elapsed).

UNLESS OTHERWISE DEFINED herein, capitalized words and terms used in this Bond and not otherwise defined shall have the meanings ascribed to such terms in the Resolution (defined below).

¹ To be included in any Series 2025 Bond registered in the name of Cede & Co.
² Series designation to be added if necessary.
³ To be omitted from the Initial Series 2025 Bond of any series.
⁴ To be included in the Initial Series 2025 Bond of any series.
⁵ To be included in all Weekly Rate Bonds except an Initial Series 2025 Bond.

THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of and premium, if any, on this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity or upon the date fixed for its redemption prior to maturity, at the designated office of the Paying Agent for the Bonds (defined below), which is initially the Comptroller of Public Accounts of the State of Texas in Austin, Texas. The payment of interest on this Bond shall be made by the Paying Agent to the registered owner hereof as shown by the Registration Books kept and maintained by the Registrar for the Bonds, which is initially _____, at the close of business on the Business Day immediately preceding each Interest Payment Date (including each redemption date) (each, a “Record Date”) by check drawn by the Paying Agent on, and payable solely from, funds of the Board required to be on deposit with the Paying Agent for such purpose as hereinafter provided; and such check shall be sent by the Paying Agent by first class United States mail, postage prepaid, on each such Interest Payment Date, to the Holder hereof at its address as it appears on the Registration Books kept and maintained by the Registrar, as hereinafter described. The Paying Agent shall make payment of the principal of and premium, if any, or interest on any Bond by wire transfer in immediately available funds to a bank account located within the United States of Federal Reserve Funds to the Liquidity Provider (in the case of any Purchased Bond) and to any Holder of \$1,000,000 or more in aggregate principal amount of Bonds requesting such payment and providing the necessary wire information to the Paying Agent at least 15 days prior to the applicable Record Date. The Board covenants with the Holder of this Bond that as of each Interest Payment Date for this Bond it will make available to the Paying Agent the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, payments made to the securities depository, or its nominee, shall be made in accordance with arrangements between the Board and the securities depository.

THIS BOND is one of a series of bonds of like tenor and effect except as to number, principal amount and scheduled maturity, aggregating _____⁶ Dollars (\$_____)⁶ (the “Bonds”), issued for the purpose of making Home Loans to Texas Veterans, all in accordance with the provisions of the Constitutional Provision, the Act and Chapter 1371, and pursuant to a resolution authorizing the issuance of the series of Bonds of which this is one, adopted by the Board and duly of record in the minutes of the Board (the “Resolution”). The Bonds are issuable solely as fully registered bonds, without interest coupons, in Authorized Denominations as described in the Resolution.

THE SERIES OF BONDS of which this is one shall be and is hereby made a general obligation of the State of Texas, pursuant to the Constitutional Provision and the Act, and for the faithful performance of all covenants, recitals and stipulations herein contained, and for the faithful performance in proper time and manner of each official or other act required and necessary to provide for the prompt payment of principal of and interest on this Bond when due, the full faith and credit of the State of Texas are hereby pledged.

⁶ The original aggregate principal amount of a series of the Series 2025 Bonds set forth in the related Purchase Contract or Pricing Certificate should be set forth here.

PAYMENTS OF THE PRINCIPAL OF and premium, if any, and interest on this Bond, shall be made primarily from the Veterans' Land Fund (the "Land Fund") governed by the Constitutional Provision, including the proceeds from the sale of the lands acquired by the Board, and from such other money as shall be available or appropriated for the purpose by the Legislature in accordance with the Constitution and laws of the State of Texas. The Bonds and all other bonds issued by the Board pursuant to the Constitution of the State to augment the Land Fund or to refund any such bonds are referred to herein as "Land Bonds." The Constitutional Provision provides that to the extent there is not money in the Fund available for payment of principal of and interest on the Land Bonds, there is appropriated out of the first money coming into the State Treasury in each fiscal year, not otherwise appropriated by the Texas Constitution, an amount which is sufficient to pay the principal of and interest on such Land Bonds that mature or become due during that fiscal year.

THE BONDS will initially be issued as Weekly Rate Bonds bearing interest at a Weekly Interest Rate. Thereafter, each Bond, at the election of the Board, may be changed to a Fixed Rate Bond bearing interest at a Fixed Interest Rate determined by the Remarketing Agent in accordance with the Resolution; provided, however, that in no event shall the interest rate on any Bond, including Purchased Bonds, exceed the Ceiling Rate. In addition, the interest rate on Purchased Bonds shall not exceed the Maximum Purchased Bond Rate. The terms of this Bond shall not apply to Fixed Rate Bonds, and as used in this Bond, the term "Bond" or "Bonds" shall not include Fixed Rate Bonds.

THE WEEKLY INTEREST RATE for the Bonds shall be determined by the Remarketing Agent by 4:30 p.m., New York City time, on Tuesday of each week during such Weekly Interest Rate Period, or if such day shall not be a Business Day, then on the next succeeding Business Day. The interest rate so determined shall be effective at the times set forth in the Resolution.

IN DETERMINING each Weekly Interest Rate for the Bonds, the Remarketing Agent shall set such rates at the respective interest rates that, in the sole and exclusive judgment of the Remarketing Agent, would equal (but not exceed) the interest rates necessary to enable the Remarketing Agent to sell such Bonds (exclusive of accrued interest, if any) on the relevant determination date, at a price equal to the principal amount thereof; provided, however, that such interest rate shall not exceed the Ceiling Rate.

NOTWITHSTANDING anything to the contrary contained herein, this Bond, if held by or for the account of the Liquidity Provider as a Purchased Bond, shall bear interest at the Purchased Bond Rate, payable at the times and in the manner and calculated on the basis provided in the Liquidity Facility; provided, however, that the Purchased Bond Rate shall not exceed the Maximum Purchased Bond Rate as provided in the Resolution.

THE BONDS (including Purchased Bonds) shall be subject to scheduled mandatory sinking fund redemption and shall be redeemed on the first Business Day of the months and in the respective principal amounts set forth in the table below, at a redemption price equal to the principal amount thereof, without premium, plus accrued interest to the date fixed for redemption:

Redemption Date Principal Amount Redemption Date Principal Amount⁷

The principal amount of Bonds to be redeemed on each such redemption date pursuant to mandatory sinking fund redemption shall be reduced, at the option of the Board, by the principal amount of any Bonds [of the same stated maturity]⁸ which (i) at least 45 days prior to such mandatory sinking fund redemption date, (a) shall have been acquired by the Board and delivered to the Registrar for cancellation, or (b) shall have been acquired and canceled by the Registrar at the direction of the Board, or (c) shall have been redeemed pursuant to any redemption provision set forth below and (ii) shall have not been previously credited against a scheduled mandatory sinking fund redemption.

THE BONDS (including Purchased Bonds) shall be subject to redemption prior to maturity on the first Business Day of any month, at the option and direction of the Board, in whole or in part, at a redemption price of par plus accrued interest. [In the case of any such redemption, the Board shall select the maturity or maturities of the Bonds to be redeemed and the amounts thereof in Authorized Denominations.]⁸

IN THE EVENT of any redemption of less than all of the Bonds [of a particular maturity]⁸, the particular Bonds [within each such maturity]⁸ to be redeemed are to be selected by the Registrar by lot in such manner as the Registrar shall deem fair and appropriate. During any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, if less than the entire principal amount Outstanding of all the Bonds is to be redeemed, the interests to be redeemed of the beneficial owners of the Bonds [of such maturity]⁹ shall be selected in accordance with the arrangements between the Board and the securities depository. In the event of any redemption of Bonds, Purchased Bonds shall be selected first for redemption in the manner described in the Resolution.

AT LEAST 30 days prior to the date fixed for any such redemption of this Bond, a written notice of such redemption shall be sent by first class mail, postage prepaid, by the Registrar to the Holder hereof. By the date fixed for any such redemption, due provision shall be made by the Board with the Paying Agent for the payment of the required redemption price for this Bond or the portion hereof which is to be so redeemed. If such written notice of redemption is given, and if due provision for such payment is made, all as provided above, this Bond, or the portion hereof which is to be redeemed, thereby automatically shall be redeemed prior to its scheduled maturity, and shall not bear interest after the date fixed for its redemption, and shall not be regarded as being Outstanding except for the right of the Holder to receive the redemption price plus accrued interest to the date fixed for redemption from the Paying Agent out of the funds provided for such payment.

⁷ The amounts set forth in the Purchase Contract or Pricing Certificate should be included in the table. Additional tables shall be added if there is more than one stated maturity of a series of Series 2025 Bonds, with a heading above each table identifying the stated maturity of the Series 2025 Bonds to which such table relates.

⁸ Bracketed text to be deleted if there is only one stated maturity of the series of Series 2025 Bonds.

⁹ Bracketed text to be deleted if there is only one stated maturity of the series of Series 2025 Bonds.

The Registrar shall record in the Registration Books all such redemptions of principal of this Bond or any portion hereof. If a portion of any Bond shall be redeemed, a substitute Bond [having the same maturity date,]⁹ in any Authorized Denomination that may be requested by the Holder thereof, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Holder upon the surrender thereof for cancellation, at the expense of the Board, all as provided in the Resolution.

IN ADDITION to the notice of redemption required above, the Registrar shall send notice of redemption of Bonds by certified or registered mail, return receipt requested, postage prepaid, or by overnight delivery service contemporaneously with such mailing: (a) to any registered owner of \$1,000,000 or more in aggregate principal amount of Bonds; (b) to two or more information services of national recognition that disseminate redemption information with respect to municipal bonds; and (c) to any securities depository that is a registered owner of the Bonds. In addition, in the event of a redemption caused by an advance refunding of the Bonds, the Registrar shall send a second notice of redemption to all registered owners of the Bonds at least 30 days but not more than 90 days prior to the actual redemption date. Any notice required to be sent to any registered securities depositories or national information services shall be sent so that it is received at least two (2) days prior to the general mailing date of such notice. The Registrar shall also send a notice of redemption to the registered owner of any Bond who has not sent the Bonds in for redemption 60 days after the redemption date. Notwithstanding the foregoing, the failure to give any notice of redemption set forth in this paragraph or any defect in such notice or the mailing thereof shall not affect the validity of any proceedings for redemption of Bonds.

ANY BONDS, subject to the requirements regarding timely notice and delivery, will be purchased, in accordance with the provisions of the Resolution, on the demand of the Holder thereof as provided in the Resolution and delivery to the Tender Agent of such Bond, endorsed in blank by the Holder thereof or accompanied by an instrument of transfer thereof in form satisfactory to the Tender Agent, executed in blank by the Holder thereof (the Tender Agent being able to refuse to accept delivery of any such Bond not endorsed in blank or for which an instrument of transfer satisfactory to it has not been provided). THE TIMELY DELIVERY OF A PROPERLY COMPLETED TENDER REQUEST NOTICE SHALL CONSTITUTE AN IRREVOCABLE TENDER OF THE BONDS COVERED THEREBY.

THE BONDS WILL BE SUBJECT to mandatory tender for purchase on the Business Days and under the circumstances specified in the Resolution.

EACH BOND SHALL BE SUBJECT to mandatory tender for purchase on the Fixed Rate Conversion Date.

IF THE HOLDER HEREOF FAILS TO DELIVER THIS BOND OR ANY PORTION HEREOF TO THE TENDER AGENT AFTER GIVING NOTICE OF AN OPTIONAL TENDER, OR UPON A MANDATORY TENDER, AND MONEYS SUFFICIENT TO PAY THE PURCHASE PRICE OF THIS BOND ARE ON DEPOSIT WITH THE TENDER AGENT, THIS BOND OR PORTION HEREOF SHALL BE DEEMED TO HAVE PURCHASED, AND THEREAFTER NO FURTHER INTEREST SHALL ACCRUE ON THIS BOND OR SUCH PORTION. THE HOLDER HEREOF SHALL THEREAFTER HAVE RECOURSE SOLELY TO THE FUNDS HELD BY THE TENDER AGENT FOR THE PURCHASE OF THIS BOND,

AND THE TENDER AGENT SHALL NOT RECOGNIZE ANY FURTHER TRANSFER HEREOF.

WHENEVER, during the term of the Bonds, the beneficial ownership thereof is determined by a book entry at DTC (or any successor securities depository), tenders of Bonds shall be made pursuant to DTC's (or any successor securities depository's) deliver order procedures or repayment option procedures, as applicable, as are in effect from time to time. Upon remarketing of Bonds, payment of the purchase price thereof shall be made to DTC (or any successor securities depository) and no surrender of Bonds is required. Such sales shall be made through the DTC Participants (which may include the Remarketing Agent) to the new beneficial owners of such Bonds, and the DTC Participants shall transmit payment to beneficial owners whose Bonds were purchased pursuant to a remarketing. The Board and the Registrar, the Paying Agent, the Tender Agent, the Liquidity Provider and the Remarketing Agent are not responsible for transfer of payment to the DTC Participants or beneficial owners.

THIS BOND or any portion or portions hereof in any Authorized Denomination may be assigned and shall be transferred only in the Registration Books of the Board kept and maintained by the Registrar acting in the capacity of registrar for the Bonds, upon the terms and conditions set forth in the Resolution. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Registrar, evidencing assignment of this Bond or any portion or portions hereof, in any Authorized Denomination, to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be transferred and registered. The form of Assignment printed or endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the registered owner. A new Bond or Bonds payable to such assignee (which then will be the new registered owner of such new Bond or Bonds), or to the previous registered owner in the case of the assignment and transfer of only a portion of this Bond, may be delivered by the Registrar in conversion of and exchange for this Bond, all in the form and manner as provided in the next paragraph hereof for the conversion and exchange of other Bonds. Except in the case of tenders of Bonds pursuant to the Resolution or of the remarketing of Purchased Bonds, neither the Board nor the Registrar shall be required (a) to issue, replace, transfer, or exchange any Bond during a period beginning at the opening of business 30 days before the day of the first mailing of a notice of redemption of Bonds and ending at the close of business on the day of such mailing or (b) to replace, transfer or exchange any Bond so selected for redemption in whole or in part when such redemption is scheduled to occur within 30 calendar days; except that at the option of the registered owner of at least \$1,000,000 in principal amount of Bonds, the Registrar shall be required to transfer or exchange any Bond of such owner which has been selected in whole or in part for redemption upon surrender thereof. The Registrar may make such arrangements as it deems appropriate for notation on each new Bond issued in exchange for or upon the transfer of the Bond so selected for redemption of an appropriate legend to the effect that such new Bond has been so selected for redemption. The registered owner of this Bond shall be treated by the Issuer, the Board, the Paying Agent and the Registrar as the absolute owner hereof for all purposes, including payment and discharge of liability upon this Bond to the extent of such payment, and the Issuer, the Board, the Paying Agent and the Registrar shall not be affected by any notice to the contrary.

The Board shall pay the Registrar's reasonable and standard or customary fees and charges for making such transfer, but the one requesting such transfer shall pay any taxes or other governmental charges required to be paid with respect thereto.

AS PROVIDED in the Resolution, this Bond, or any portion hereof, may, at the request of the registered owner or the assignee or assignees hereof, be converted into and exchanged for a like aggregate principal amount of fully registered Bonds, without interest coupons, payable to the appropriate registered owner, assignee, or assignees, as the case may be, having the same maturity date, in the same Interest Mode, bearing interest at the same rate, and in any Authorized Denomination, as requested in writing by the appropriate registered owner, assignee, or assignees, as the case may be, upon surrender of this Bond to the Registrar for cancellation, all in accordance with the form and procedures set forth in the Resolution. The one requesting such conversion and exchange shall pay the Registrar's reasonable and standard or customary fees and charges for converting and exchanging any Bond or portion thereof, together with any taxes or governmental charges required to be paid with respect thereto, all as a condition precedent to the exercise of such privilege of conversion and exchange; except, however, that in the case of the conversion and exchange of an assigned and transferred Bond or Bonds or any portion or portions thereof in any Authorized Denomination, as described in the previous paragraph, and in the case of the conversion and exchange of a portion of the unredeemed portion of a Bond which has been redeemed in part prior to maturity, as provided herein, such fees and charges will be paid by the Board.

WHENEVER the beneficial ownership of this Bond is determined only by a book entry at a securities depository for the Bonds, the foregoing requirements of registering, holding, delivering, exchanging or transferring this Bond shall be modified to require the appropriate Person to meet the requirements of the securities depository as to registering, holding, delivering, exchanging or transferring the book entry to produce the same effect.

IN THE EVENT that the initial Paying Agent or Registrar for the Bonds is changed by the Board, resigns, or otherwise ceases to act as such, the Board has covenanted in the Resolution that it promptly will appoint a competent and legally qualified substitute therefor, whose qualifications comply with the requirements of the Resolution, and that one entity will serve as Paying Agent and Registrar, except during periods when the Bonds are registered only by means of a book entry at a securities depository, and promptly will cause written notice thereof to be mailed to the registered owners of the Bonds.

BY BECOMING the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Resolution, agrees to be bound by such terms and provisions, acknowledges that the Resolution is duly recorded and available for inspection in the official minutes and records of the Board, and agrees that the terms and provisions of this Bond and the Resolution constitute a contract between each registered owner hereof and the Board.

THE BOARD reserves the right to amend the Resolution, as deemed necessary or desirable by the Board, with the consent of the registered owners of a majority in aggregate principal amount of the Bonds then Outstanding under the terms and conditions stated in the Resolution. The Board may, without the consent of the registered owners of the Bonds, adopt certain amendments to the Resolution as set forth in the Resolution.

IN THE EVENT of any conflict or inconsistency between the terms and provisions of this Bond and the terms and provisions of the Resolution, the terms and provisions of the Resolution shall control.

IT IS HEREBY CERTIFIED and recited that all acts, conditions and things required to be done precedent to and in the issuance of this Bond and the series of which it forms a part have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas and the Resolution, that the series of Bonds of which this is a part does not exceed any Constitutional or statutory limitation, and that provision has been made for the payment of the principal of and interest on this Bond and the series of which it is a part by a pledge of the credit of the Issuer and of the funds specified herein.

[UNLESS THE COMPTROLLER'S REGISTRATION CERTIFICATE hereon has been executed by the Comptroller by manual signature, this Bond shall not be entitled to any benefit under the Resolution or be valid or obligatory for any purpose.]¹⁰

[UNLESS THE REGISTRAR'S AUTHENTICATION CERTIFICATE hereon has been executed by the Registrar by manual signature, this Bond shall not be entitled to any benefit under the Resolution or be valid or obligatory for any purpose.]¹¹

IN TESTIMONY HEREOF, this Bond is executed with the manual or facsimile signatures of the Chairwoman of the Board and of the Executive Secretary of the Board, and the seal of said Board impressed, lithographed or printed hereon.

THE STATE OF TEXAS

Chairwoman, Veterans' Land Board
of the State of Texas

Executive Secretary, Veterans'
Land Board of the State of Texas

(SEAL)

¹⁰ To be included in an Initial Series 2025 Bond only.

¹¹ To be included in all Series 2025 Bonds of a series other than the Initial Series 2025 Bond.

*FORM OF REGISTRAR'S AUTHENTICATION CERTIFICATION ATTACHED TO
WEEKLY RATE BONDS OTHER THAN AN INITIAL SERIES 2025 BOND

REGISTRAR'S AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been issued under the provisions of the Resolution described in this Bond; and that this Bond has been issued in conversion of and exchange for or replacement of a bond, bonds, or a portion of a bond or bonds of an issue which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated: _____, _____,
_____, _____,
Registrar

By: _____
Authorized Representative

*FORM OF ASSIGNMENT

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite name and address, including zip code of Transferee)

Please insert Social Security
or Taxpayer Identification Number
of Transferee

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

_____ attorney to register the transfer of the within Bond on the books kept
for registration thereof, with full power of substitution in the premises.

Dated:

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

*FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE ATTACHED TO
AN INITIAL SERIES 2025 BOND

OFFICE OF COMPTROLLER §
STATE OF TEXAS § REGISTER NO. _____
 §

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Texas Comptroller of Public Accounts.

WITNESS MY HAND and seal of office at Austin, Texas _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

NOTE TO PRINTER:

* ¶s not to be on bond

ADDITIONAL REVISIONS TO BE MADE TO
AN INITIAL SERIES 2025 BOND IF MORE THAN ONE MATURITY

Each Initial Series 2025 Bond shall be in the form set forth in this Exhibit A, except that if there is more than one stated maturity of a series of Series 2025 Bonds:

(i) immediately under the name of the Bond, the blank beneath the heading “MATURITY DATE” shall be completed with the words “As shown below”;

(ii) in the first paragraph of such Initial Series 2025 Bond, the words “ON THE MATURITY DATE SPECIFIED ABOVE” shall be deleted and replaced with the following: “ON THE MATURITY DATES SPECIFIED BELOW”.

(iii) in the first paragraph of such Initial Series 2025 Bond, the words “from the Settlement Date to the date of its scheduled maturity or the date of its redemption prior to scheduled maturity, at the rate of interest per annum determined pursuant to the Resolution (as defined below)” shall be replaced with the following “from the Settlement Date to the dates of its scheduled maturity or the date or dates of its redemption prior to scheduled maturity, in the principal installments set forth below and bearing interest at the per annum rate of interest per annum determined pursuant to the Resolution (as defined below):

Date

Principal Amount

[Information for such Series 2025 Bonds to be inserted
from Purchase Contract or Pricing Certificate]”

EXHIBIT B

FORM OF FIXED RATE BOND

[Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]¹

NO. FR- _____ \$ _____

UNITED STATES OF AMERICA

STATE OF TEXAS
VETERANS LAND BOND,
TAXABLE SERIES 2025²

MATURITY DATE: INTEREST RATE: BOND DATE: CUSIP NUMBER:
_____, ____ _____ % _____, 20____ _____

ON THE MATURITY DATE SPECIFIED ABOVE, the State of Texas (hereinafter sometimes called the “Issuer”), acting by and through the Veterans’ Land Board (the “Board”) of the State of Texas, hereby promises to pay to _____, or to the registered assignee hereof (either being hereinafter called the “registered owner”), the principal amount of _____ DOLLARS and to pay interest thereon, from the bond date stated above to the date of its scheduled maturity or the date of its redemption prior to scheduled maturity, at the rate of interest per annum specified above, with said interest being payable on _____ 1, 20____, and semiannually on each June 1 and December 1 thereafter (computed on the basis of a 360-day year consisting of twelve 30-day months) (each, an “Interest Payment Date”).

THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of and premium, if any, on this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity or upon the date fixed for its redemption prior to maturity, at the designated office of the Paying Agent for the Bonds (defined below), which is initially the Comptroller of Public Accounts of the State of Texas in Austin, Texas. The payment of interest on this Bond shall be made by the Paying Agent to the registered owner hereof as shown by the Registration Books kept and maintained by the Registrar for the Bonds, which is initially _____, (i) at the close of business on the fifteenth day of the calendar month

¹ To be included in any Series 2025 Bond registered in the name of Cede & Co.

² Series designation to be added if necessary.

immediately preceding each Interest Payment Date, or (ii) in the case of a redemption of Bonds prior to maturity, the fifteenth day prior to the mailing of the applicable notice of redemption (each, a “Record Date”), by check drawn by the Paying Agent on, and payable solely from, funds of the Board required to be on deposit with the Paying Agent for such purpose as hereinafter provided; and such check shall be sent by the Paying Agent by first class United States mail, postage prepaid, on each such Interest Payment Date, to the registered owner hereof at its address as it appears on the Registration Books kept and maintained by the Registrar, as hereinafter described. The Paying Agent shall make payment of the principal of and premium, if any, or interest on this Bond by wire transfer in immediately available funds to a bank account located within the United States of Federal Reserve Funds upon request of the registered owner hereof, provided such registered owner is the registered owner of \$1,000,000 or more in aggregate principal amount of Bonds and provides the necessary wire information to the Paying Agent at least 15 days prior to the applicable Record Date. The Board covenants with the registered owner of this Bond that as of each Interest Payment Date for this Bond it will make available to the Paying Agent the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, payments made to the securities depository, or its nominee, shall be made in accordance with arrangements between the Board and the securities depository.

UNLESS OTHERWISE DEFINED herein, capitalized words and terms used in this Bond and not otherwise defined shall have the meanings ascribed to such terms in the Resolution (defined below).

IF THE DATE for the payment of the principal of or interest on this Bond shall not be a Business Day, then the date for such payment shall be the next succeeding Business Day and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS BOND is one of a series of bonds of like tenor and effect except as to number, principal amount and scheduled maturity, aggregating _____ Dollars³ (\$ _____)³ (the “Bonds”), issued for the purpose of making Home Loans to Texas Veterans, all in accordance with the provisions of the Constitutional Provision, the Act and Chapter 1371, and pursuant to a resolution authorizing the issuance of the series of Bonds of which this is one, adopted by the Board and duly of record in the minutes of the Board (the “Resolution”). The Bonds are issuable solely as fully registered bonds, without interest coupons, in denominations of any integral multiple of \$5,000 (each, an “Authorized Denomination”).

THE SERIES OF BONDS of which this is one shall be and is hereby made a general obligation of the State of Texas, pursuant to the Constitutional Provision and the Act, and for the faithful performance of all covenants, recitals and stipulations herein contained, and for the faithful performance in proper time and manner of each official or other act required and necessary to

³ For Converted Fixed Rate Bonds, the original aggregate principal amount of such series of Series 2025 Bonds set forth in the Purchase Contract or Pricing Certificate should be set forth here; for Series 2025 Bonds issued as Fixed Rate Bonds, the original aggregate principal amount of such series of Series 2025 Bonds set forth in the Purchase Contract or Pricing Certificate should be set forth here.

provide for the prompt payment of principal of and interest on this Bond when due, the full faith and credit of the State of Texas are hereby pledged.

PAYMENTS OF THE PRINCIPAL OF and premium, if any, and interest on this Bond, shall be made primarily from the Veterans' Land Fund (the "Land Fund") governed by the Constitutional Provision, including the proceeds from the sale of the lands acquired by the Board, and from such other money as shall be available or appropriated for the purpose by the Legislature in accordance with the Constitution and laws of the State of Texas. The Bonds and all other bonds issued by the Board pursuant to the Constitution of the State to augment the Land Fund or to refund any such bonds are referred to herein as "Land Bonds." The Constitutional Provision provides that to the extent there is not money in the Fund available for payment of principal of and interest on the Land Bonds, there is appropriated out of the first money coming into the State Treasury in each fiscal year, not otherwise appropriated by the Texas Constitution, an amount which is sufficient to pay the principal of and interest on such Land Bonds that mature or become due during that fiscal year.

THE BONDS are subject to scheduled mandatory sinking fund redemption, and shall be redeemed on the dates and in the respective principal amounts set forth in the table below, at a redemption price equal to the principal amount thereof, without premium, plus accrued interest to the date fixed for redemption:

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u> ⁴
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*Stated maturity

The principal amount of Bonds to be redeemed on each such redemption date pursuant to mandatory sinking fund redemption shall be reduced, at the option of the Board, by the principal amount of any Bonds [of the same stated maturity]⁵ which (A) at least 45 days prior to such mandatory sinking fund redemption date, (1) shall have been acquired by the Board and delivered to the Registrar for cancellation, or (2) shall have been acquired and canceled by the Registrar at the direction of the Board, or (3) shall have been redeemed pursuant to any optional redemption and (B) shall have not been previously credited against a scheduled mandatory sinking fund redemption.

THE BONDS shall be subject to redemption and may be redeemed prior to the scheduled maturities thereof, at the option and direction of the Board, at any time and from time to time on

⁴ For Converted Fixed Rate Bonds, the remaining amounts set forth in the applicable Purchase Contract or Pricing Certificate should be included in the table, and additional tables shall be added if there is more than one stated maturity of such Series 2025 Bonds, with a heading above each table identifying the stated maturity of the Series 2025 Bonds to which such table relates; for Series 2025 Bonds issued as Fixed Rate Bonds, the amounts set forth in the Purchase Contract or Pricing Certificate shall be set forth here.

⁵ Bracketed text to be deleted if there is only one stated maturity of the series of Series 2025 Bonds.

and after _____ 1, 20 __, in whole or in part, at the redemption prices set forth below (expressed as a percentage of the principal amount of the Bonds or portions thereof to be redeemed), plus accrued interest to the date fixed for redemption:

Redemption Dates

Redemption Price

[In the case of any such redemption, the Board shall select the maturity or maturities of the Bonds to be redeemed and the amounts thereof in Authorized Denominations.]⁵

IN THE EVENT of any redemption of less than all of the Bonds [of a particular maturity]⁵, the particular Bonds [within such maturity]⁵ to be redeemed are to be selected by the Registrar by lot in such manner as the Registrar shall deem fair and appropriate. During any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, if less than the entire principal amount Outstanding of all the Bonds [of the same maturity are to be redeemed]⁵, the interests to be redeemed of the beneficial owners of the Bonds of such maturity shall be selected in accordance with the arrangements between the Board and the securities depository.

AT LEAST 30 days prior to the date fixed for any such redemption of this Bond, a written notice of such redemption shall be sent by first class mail, postage prepaid, by the Registrar to the Holder hereof. By the date fixed for any such redemption, due provision shall be made by the Board with the Paying Agent for the payment of the required redemption price for this Bond or the portion hereof which is to be so redeemed. If such written notice of redemption is given, and if due provision for such payment is made, all as provided above, this Bond, or the portion hereof which is to be redeemed, thereby automatically shall be redeemed prior to its scheduled maturity, and shall not bear interest after the date fixed for its redemption, and shall not be regarded as being Outstanding except for the right of the Holder to receive the redemption price plus accrued interest to the date fixed for redemption from the Paying Agent out of the funds provided for such payment. The Registrar shall record in the Registration Books all such redemptions of principal of this Bond or any portion hereof. If a portion of any Bond shall be redeemed, a substitute Bond [having the same stated maturity,]⁶ in any Authorized Denomination that may be requested by the Holder thereof, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Holder upon the surrender thereof for cancellation, at the expense of the Board, all as provided in the Resolution.

IN ADDITION to the notice of redemption required above, the Registrar shall send notice of redemption of Bonds by certified or registered mail, return receipt requested, postage prepaid, or by overnight delivery service contemporaneously with such mailing: (1) to any registered owner of \$1,000,000 or more in aggregate principal amount of Bonds; (2) to two or more information services of national recognition that disseminate redemption information with respect to municipal bonds; and (3) to any securities depository that is a registered owner of the Bonds.

⁶ Bracketed text to be deleted if there only one stated maturity of the series of Series 2025 Bonds.

In addition, in the event of a redemption caused by an advance refunding of the Bonds, the Registrar shall send a second notice of redemption to all registered owners of the Bonds at least 30 days but not more than 90 days prior to the actual redemption date. Any notice required to be sent to any registered securities depositories or national information services shall be sent so that it is received at least two (2) days prior to the general mailing date of such notice. The Registrar shall also send a notice of redemption to the registered owner of any Bond who has not sent the Bonds in for redemption 60 days after the redemption date. Notwithstanding the foregoing, the failure to give any notice of redemption set forth in this paragraph or any defect in such notice or the mailing thereof shall not affect the validity of any proceedings for redemption of Bonds.

THIS BOND or any portion or portions hereof in any Authorized Denomination may be assigned and shall be transferred only in the Registration Books of the Board kept and maintained by the Registrar acting in the capacity of registrar for the Bonds, upon the terms and conditions set forth in the Resolution. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Registrar, evidencing assignment of this Bond or any portion or portions hereof, in any Authorized Denomination, to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be transferred and registered. The form of Assignment printed or endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the registered owner. A new Bond or Bonds payable to such assignee (which then will be the new registered owner of such new Bond or Bonds), or to the previous registered owner in the case of the assignment and transfer of only a portion of this Bond, may be delivered by the Registrar in conversion of and exchange for this Bond, all in the form and manner as provided in the next paragraph hereof for the conversion and exchange of other Bonds. Neither the Board nor the Registrar shall be required (1) to issue, replace, transfer, or exchange any Bond during a period beginning at the opening of business 30 days before the day of the first mailing of a notice of redemption of Bonds and ending at the close of business on the day of such mailing or (2) to replace, transfer or exchange any Bond so selected for redemption in whole or in part when such redemption is scheduled to occur within 30 calendar days; except that at the option of the registered owner of at least \$1,000,000 in principal amount of Bonds, the Registrar shall be required to transfer or exchange any Bond of such owner which has been selected in whole or in part for redemption upon surrender thereof. The Registrar may make such arrangements as it deems appropriate for notation on each new Bond issued in exchange for or upon the transfer of the Bond so selected for redemption of an appropriate legend to the effect that such new Bond has been so selected for redemption. The registered owner of this Bond shall be treated by the Issuer, the Board, the Paying Agent and the Registrar as the absolute owner hereof for all purposes, including payment and discharge of liability upon this Bond to the extent of such payment, and the Issuer, the Board, the Paying Agent and the Registrar shall not be affected by any notice to the contrary. The Board shall pay the Registrar's reasonable and standard or customary fees and charges for making such transfer, but the one requesting such transfer shall pay any taxes or other governmental charges required to be paid with respect thereto.

AS PROVIDED in the Resolution, this Bond, or any portion hereof, may, at the request of the registered owner or the assignee or assignees hereof, be converted into and exchanged for a

like aggregate principal amount of fully registered Bonds, without interest coupons, payable to the appropriate registered owner, assignee, or assignees, as the case may be, having the same maturity date, bearing interest at the same rate, and in any Authorized Denomination, as requested in writing by the appropriate registered owner, assignee, or assignees, as the case may be, upon surrender of this Bond to the Registrar for cancellation, all in accordance with the form and procedures set forth in the Resolution. The one requesting such conversion and exchange shall pay the Registrar's reasonable and standard or customary fees and charges for converting and exchanging any Bond or portion thereof, together with any taxes or governmental charges required to be paid with respect thereto, all as a condition precedent to the exercise of such privilege of conversion and exchange; except, however, that in the case of the conversion and exchange of an assigned and transferred Bond or Bonds or any portion or portions thereof in any Authorized Denomination, as described in the previous paragraph, and in the case of the conversion and exchange of a portion of the unredeemed portion of a Bond which has been redeemed in part prior to maturity, as provided herein, such fees and charges will be paid by the Board.

WHENEVER the beneficial ownership of this Bond is determined only by a book entry at a securities depository for the Bonds, the foregoing requirements of registering, holding, delivering, exchanging or transferring this Bond shall be modified to require the appropriate Person to meet the requirements of the securities depository as to registering, holding, delivering, exchanging or transferring the book entry to produce the same effect.

IN THE EVENT that the initial Paying Agent or Registrar for the Bonds is changed by the Board, resigns, or otherwise ceases to act as such, the Board has covenanted in the Resolution that it promptly will appoint a competent and legally qualified substitute therefor, whose qualifications comply with the requirements of the Resolution, and that one entity will serve as Paying Agent and Registrar, except during periods when the Bonds are registered only by means of a book entry at a securities depository, and promptly will cause written notice thereof to be mailed to the registered owners of the Bonds.

BY BECOMING the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Resolution, agrees to be bound by such terms and provisions, acknowledges that the Resolution is duly recorded and available for inspection in the official minutes and records of the Board, and agrees that the terms and provisions of this Bond and the Resolution constitute a contract between each registered owner hereof and the Board.

THE BOARD reserves the right to amend the Resolution, as deemed necessary or desirable by the Board, with the consent of the registered owners of a majority in aggregate principal amount of the Bonds then Outstanding under the terms and conditions stated in the Resolution. The Board may, without the consent of the registered owners of the Bonds, adopt certain amendments to the Resolution as set forth in the Resolution.

IN THE EVENT of any conflict or inconsistency between the terms and provisions of this Bond and the terms and provisions of the Resolution, the terms and provisions of the Resolution shall control.

IT IS HEREBY CERTIFIED and recited that all acts, conditions and things required to be done precedent to and in the issuance of this Bond and the series of which it forms a part have

been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas and the Resolution, that the series of Bonds of which this is a part does not exceed any Constitutional or statutory limitation, and that provision has been made for the payment of the principal of and interest on this Bond and the series of which it is a part by a pledge of the credit of the Issuer and of the funds specified herein.

UNLESS THE REGISTRAR'S AUTHENTICATION CERTIFICATE hereon has been executed by the Registrar by manual signature, this Bond shall not be entitled to any benefit under the Resolution or be valid or obligatory for any purpose.

IN TESTIMONY HEREOF, this Bond is executed with the manual or facsimile signatures of the Chairwoman of the Board and of the Executive Secretary of the Board, and the seal of said Board impressed, lithographed or printed hereon.

THE STATE OF TEXAS

Chairwoman, Veterans' Land Board
of the State of Texas

Executive Secretary, Veterans'
Land Board of the State of Texas

(SEAL)

*FORM OF REGISTRAR'S AUTHENTICATION CERTIFICATION
ATTACHED TO ALL FIXED RATE BONDS
OTHER THAN AN INITIAL SERIES 2025 BOND

REGISTRAR'S AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been issued under the provisions of the Resolution described in this Bond; and that this Bond has been issued in conversion of and exchange for or replacement of a bond, bonds, or a portion of a bond or bonds of an issue which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated: _____

Registrar

By: _____
Authorized Representative

*FORM OF ASSIGNMENT

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite name and address, including zip code of Transferee)

Please insert Social Security
or Taxpayer Identification Number
of Transferee

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

_____ attorney to register the transfer of the within Bond on the books kept
for registration thereof, with full power of substitution in the premises.

Dated:

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

NOTE TO PRINTER:

*¶s not to be on bond

*FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE ATTACHED TO
AN INITIAL SERIES 2025 BOND

OFFICE OF COMPTROLLER §
STATE OF TEXAS § REGISTER NO. _____
 §

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Texas Comptroller of Public Accounts.

WITNESS MY HAND and seal of office at Austin, Texas _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

NOTE TO PRINTER:
* ¶s not to be on bond

ADDITIONAL REVISIONS TO BE MADE TO
AN INITIAL SERIES 2025 BOND IF MORE THAN ONE MATURITY

Each Initial Series 2025 Bond shall be in the form set forth in this Exhibit B, except that if there is more than one stated maturity of a series of Series 2025 Bonds:

(i) immediately under the name of the Bond, the blank beneath the headings “MATURITY DATE” and “INTEREST RATE” shall be completed with the words “As shown below”;

(ii) in the first paragraph of such Initial Series 2025 Bond, the words “ON THE MATURITY DATE SPECIFIED ABOVE” shall be deleted and replaced with the following: “ON THE MATURITY DATES SPECIFIED BELOW”.

(iii) in the first paragraph of such Initial Series 2025 Bond, the words “from the bond date stated above to the date of its scheduled maturity or the date of its redemption prior to scheduled maturity, at the rate of interest per annum specified above” shall be replaced with the following “from the bond date stated above to the dates of its scheduled maturity or the date or dates of its redemption prior to scheduled maturity, in the principal installments and bearing interest at the per annum rates of interest per annum set forth below:

<u>Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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[Information for such Series 2025 Bonds to be inserted
from Purchase Contract or Pricing Certificate]”

EXHIBIT C

FORM OF VARIABLE RATE BOND

[Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]¹⁸

NO. R- _____ \$ _____

UNITED STATES OF AMERICA

STATE OF TEXAS
VETERANS LAND BOND,
TAXABLE SERIES 2025¹⁹

MATURITY DATE: INTEREST RATE: BOND DATE: CUSIP NUMBER: ²⁰
_____, ____ Variable _____, 2025 _____

ON THE MATURITY DATE SPECIFIED ABOVE, the State of Texas (hereinafter sometimes called the “Issuer”), acting by and through the Veterans’ Land Board (the “Board”) of the Issuer, hereby promises to pay to _____, or to the registered assignee hereof (either being hereinafter called the “Holder”) the principal amount of _____ DOLLARS and to pay interest thereon, from [the Settlement Date]²¹ [the bond date stated above]²² to the date of its scheduled maturity or the date of its redemption prior to scheduled maturity, at the rate of interest per annum determined pursuant to the Resolution (defined below), with said interest being payable on each Interest Payment Date (computed on the basis of _____).²³

UNLESS OTHERWISE DEFINED herein, capitalized words and terms used in this Bond and not otherwise defined shall have the meanings ascribed to such terms in the Resolution (defined below).

¹⁸ To be included in any Series 2025 Bond registered in the name of Cede & Co.

¹⁹ Series designation to be added if applicable.

²⁰ To be omitted from the Initial Series 2025 Bond of any series or if indicated in the related Pricing Certificate.

²¹ To be included in the Initial Series 2025 Bond of any series.

²² To be included in all Variable Rate Bonds except an Initial Series 2025 Bond.

²³ Text specified in related Pricing Certificate to be added here.

THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of and premium, if any, on this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity or upon the date fixed for its redemption prior to maturity, at the designated office of the Paying Agent for the Bonds (defined below), which is initially the Comptroller of Public Accounts of the State of Texas in Austin, Texas. The payment of interest on this Bond shall be made by the Paying Agent to the registered owner hereof as shown by the Registration Books kept and maintained by the Registrar for the Bonds, which is initially _____, at the close of business on the Business Day immediately preceding each Interest Payment Date (including each redemption date) (each, a “Record Date”) by check drawn by the Paying Agent on, and payable solely from, funds of the Board required to be on deposit with the Paying Agent for such purpose as hereinafter provided; and such check shall be sent by the Paying Agent by first class United States mail, postage prepaid, on each such Interest Payment Date, to the Holder hereof at its address as it appears on the Registration Books kept and maintained by the Registrar, as hereinafter described. The Paying Agent shall make payment of the principal of and premium, if any, or interest on any Bond by wire transfer in immediately available funds to a bank account located within the United States of Federal Reserve Funds to the Liquidity Provider (in the case of any Purchased Bond) and to any Holder of \$1,000,000 or more in aggregate principal amount of Bonds requesting such payment and providing the necessary wire information to the Paying Agent at least 15 days prior to the applicable Record Date. The Board covenants with the Holder of this Bond that as of each Interest Payment Date for this Bond it will make available to the Paying Agent the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, payments made to the securities depository, or its nominee, shall be made in accordance with arrangements between the Board and the securities depository.

THIS BOND is one of a series of bonds of like tenor and effect except as to number, principal amount and scheduled maturity, aggregating _____²⁴ Dollars (\$_____)⁷ (the “Bonds”), issued for the purpose of making Home Loans to Texas Veterans, all in accordance with the provisions of the Constitutional Provision, the Act and Chapter 1371, and pursuant to a resolution authorizing the issuance of the series of Bonds of which this is one, adopted by the Board and duly of record in the minutes of the Board (the “Resolution”). The Bonds are issuable solely as fully registered bonds, without interest coupons, in denominations of _____²⁵ (each, an “Authorized Denomination”).

THE SERIES OF BONDS of which this is one shall be and is hereby made a general obligation of the State of Texas, pursuant to the Constitutional Provision and the Act, and for the faithful performance of all covenants, recitals and stipulations herein contained, and for the faithful performance in proper time and manner of each official or other act required and necessary to

²⁴ The original aggregate principal amount of a series of the Series 2025 Bonds set forth in the related Purchase Contract or Pricing Certificate should be set forth here.

²⁵ The Authorized Denominations set forth in the related Pricing Certificate should be set forth here.

provide for the prompt payment of principal of and interest on this Bond when due, the full faith and credit of the State of Texas are hereby pledged.

PAYMENTS OF THE PRINCIPAL OF and premium, if any, and interest on this Bond, shall be made primarily from the Veterans' Land Fund (the "Land Fund") governed by the Constitutional Provision, including the proceeds from the sale of the lands acquired by the Board, and from such other money as shall be available or appropriated for the purpose by the Legislature in accordance with the Constitution and laws of the State of Texas. The Bonds and all other bonds issued by the Board pursuant to the Constitution of the State to augment the Land Fund or to refund any such bonds are referred to herein as "Land Bonds." The Constitutional Provision provides that to the extent there is not money in the Fund available for payment of principal of and interest on the Land Bonds, there is appropriated out of the first money coming into the State Treasury in each fiscal year, not otherwise appropriated by the Texas Constitution, an amount which is sufficient to pay the principal of and interest on such Land Bonds that mature or become due during that fiscal year.²⁶

THE BONDS shall be subject to scheduled mandatory sinking fund redemption and shall be redeemed on _____²⁷ and in the respective principal amounts set forth in the table below, at a redemption price equal to the principal amount thereof, without premium, plus accrued interest to the date fixed for redemption:

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u> ²⁸
------------------------	-------------------------	------------------------	---------------------------------------

The principal amount of Bonds to be redeemed on each such redemption date pursuant to mandatory sinking fund redemption shall be reduced, at the option of the Board, by the principal amount of any Bonds [of the same stated maturity]²⁹ which (i) at least 45 days prior to such mandatory sinking fund redemption date, (a) shall have been acquired by the Board and delivered to the Registrar for cancellation, or (b) shall have been acquired and canceled by the Registrar at the direction of the Board, or (c) shall have been redeemed pursuant to any redemption provision set forth below and (ii) shall have not been previously credited against a scheduled mandatory sinking fund redemption.³⁰

IN THE EVENT of any redemption of less than all of the Bonds [of a particular maturity]³¹, the particular Bonds [within each such maturity]¹⁴ to be redeemed are to be selected by the

²⁶ Additional paragraphs from the related Pricing Certificate describing interest on the series of Series 2025 Bonds should be added here.

²⁷ Text specified in related Pricing Certificate to be added here.

²⁸ The amounts set forth in the Purchase Contract or Pricing Certificate should be included in the table. Additional tables shall be added if there is more than one stated maturity of the series of Series 2025 Bonds, with a heading above each table identifying the stated maturity of the Series 2025 Bonds to which such table relates.

²⁹ Bracketed text to be deleted if there is only one stated maturity of the series of Series 2025 Bonds.

³⁰ Optional redemption provisions, if any, specified in the related Pricing Certificate to be added here.

³¹ Bracketed text to be deleted if there is only one stated maturity of the series of Series 2025 Bonds.

Registrar by lot in such manner as the Registrar shall deem fair and appropriate. During any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, if less than the entire principal amount Outstanding of all the Bonds is to be redeemed, the interests to be redeemed of the beneficial owners of the Bonds [of such maturity]¹⁴ shall be selected in accordance with the arrangements between the Board and the securities depository. In the event of any redemption of Bonds, Purchased Bonds shall be selected first for redemption in the manner described in the Resolution.

AT LEAST 30 days prior to the date fixed for any such redemption of this Bond, a written notice of such redemption shall be sent by first class mail, postage prepaid, by the Registrar to the Holder hereof. By the date fixed for any such redemption, due provision shall be made by the Board with the Paying Agent for the payment of the required redemption price for this Bond or the portion hereof which is to be so redeemed. If such written notice of redemption is given, and if due provision for such payment is made, all as provided above, this Bond, or the portion hereof which is to be redeemed, thereby automatically shall be redeemed prior to its scheduled maturity, and shall not bear interest after the date fixed for its redemption, and shall not be regarded as being Outstanding except for the right of the Holder to receive the redemption price plus accrued interest to the date fixed for redemption from the Paying Agent out of the funds provided for such payment. The Registrar shall record in the Registration Books all such redemptions of principal of this Bond or any portion hereof. If a portion of any Bond shall be redeemed, a substitute Bond [having the same maturity date,]¹⁴ in any Authorized Denomination that may be requested by the Holder thereof, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Holder upon the surrender thereof for cancellation, at the expense of the Board, all as provided in the Resolution.

IN ADDITION to the notice of redemption required above, the Registrar shall send notice of redemption of Bonds by certified or registered mail, return receipt requested, postage prepaid, or by overnight delivery service contemporaneously with such mailing: (a) to any registered owner of \$1,000,000 or more in aggregate principal amount of Bonds; (b) to two or more information services of national recognition that disseminate redemption information with respect to municipal bonds; and (c) to any securities depository that is a registered owner of the Bonds. In addition, in the event of a redemption caused by an advance refunding of the Bonds, the Registrar shall send a second notice of redemption to all registered owners of the Bonds at least 30 days but not more than 90 days prior to the actual redemption date. Any notice required to be sent to any registered securities depositories or national information services shall be sent so that it is received at least two (2) days prior to the general mailing date of such notice. The Registrar shall also send a notice of redemption to the registered owner of any Bond who has not sent the Bonds in for redemption 60 days after the redemption date. Notwithstanding the foregoing, the failure to give any notice of redemption set forth in this paragraph or any defect in such notice or the mailing thereof shall not affect the validity of any proceedings for redemption of Bonds.

WHENEVER, during the term of the Bonds, the beneficial ownership thereof is determined by a book entry at DTC (or any successor securities depository), tenders of Bonds shall be made pursuant to DTC's (or any successor securities depository's) deliver order procedures or repayment option procedures, as applicable, as are in effect from time to time. Upon remarketing of Bonds, payment of the purchase price thereof shall be made to DTC (or any successor securities depository) and no surrender of Bonds is required. Such sales shall be made through the DTC

Participants (which may include the Remarketing Agent) to the new beneficial owners of such Bonds, and the DTC Participants shall transmit payment to beneficial owners whose Bonds were purchased pursuant to a remarketing. The Board and the Registrar, the Paying Agent, the Tender Agent, the Liquidity Provider and the Remarketing Agent are not responsible for transfer of payment to the DTC Participants or beneficial owners.

THIS BOND or any portion or portions hereof in any Authorized Denomination may be assigned and shall be transferred only in the Registration Books of the Board kept and maintained by the Registrar acting in the capacity of registrar for the Bonds, upon the terms and conditions set forth in the Resolution. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Registrar, evidencing assignment of this Bond or any portion or portions hereof, in any Authorized Denomination, to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be transferred and registered. The form of Assignment printed or endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the registered owner. A new Bond or Bonds payable to such assignee (which then will be the new registered owner of such new Bond or Bonds), or to the previous registered owner in the case of the assignment and transfer of only a portion of this Bond, may be delivered by the Registrar in conversion of and exchange for this Bond, all in the form and manner as provided in the next paragraph hereof for the conversion and exchange of other Bonds. Neither the Board nor the Registrar shall be required (a) to issue, replace, transfer, or exchange any Bond during a period beginning at the opening of business 30 days before the day of the first mailing of a notice of redemption of Bonds and ending at the close of business on the day of such mailing or (b) to replace, transfer or exchange any Bond so selected for redemption in whole or in part when such redemption is scheduled to occur within 30 calendar days; except that at the option of the registered owner of at least \$1,000,000 in principal amount of Bonds, the Registrar shall be required to transfer or exchange any Bond of such owner which has been selected in whole or in part for redemption upon surrender thereof. The Registrar may make such arrangements as it deems appropriate for notation on each new Bond issued in exchange for or upon the transfer of the Bond so selected for redemption of an appropriate legend to the effect that such new Bond has been so selected for redemption. The registered owner of this Bond shall be treated by the Issuer, the Board, the Paying Agent and the Registrar as the absolute owner hereof for all purposes, including payment and discharge of liability upon this Bond to the extent of such payment, and the Issuer, the Board, the Paying Agent and the Registrar shall not be affected by any notice to the contrary. The Board shall pay the Registrar's reasonable and standard or customary fees and charges for making such transfer, but the one requesting such transfer shall pay any taxes or other governmental charges required to be paid with respect thereto.

AS PROVIDED in the Resolution, this Bond, or any portion hereof, may, at the request of the registered owner or the assignee or assignees hereof, be converted into and exchanged for a like aggregate principal amount of fully registered Bonds, without interest coupons, payable to the appropriate registered owner, assignee, or assignees, as the case may be, having the same maturity date, in the same Interest Mode, bearing interest at the same rate, and in any Authorized Denomination, as requested in writing by the appropriate registered owner, assignee, or assignees,

as the case may be, upon surrender of this Bond to the Registrar for cancellation, all in accordance with the form and procedures set forth in the Resolution. The one requesting such conversion and exchange shall pay the Registrar's reasonable and standard or customary fees and charges for converting and exchanging any Bond or portion thereof, together with any taxes or governmental charges required to be paid with respect thereto, all as a condition precedent to the exercise of such privilege of conversion and exchange; except, however, that in the case of the conversion and exchange of an assigned and transferred Bond or Bonds or any portion or portions thereof in any Authorized Denomination, as described in the previous paragraph, and in the case of the conversion and exchange of a portion of the unredeemed portion of a Bond which has been redeemed in part prior to maturity, as provided herein, such fees and charges will be paid by the Board.

WHENEVER the beneficial ownership of this Bond is determined only by a book entry at a securities depository for the Bonds, the foregoing requirements of registering, holding, delivering, exchanging or transferring this Bond shall be modified to require the appropriate Person to meet the requirements of the securities depository as to registering, holding, delivering, exchanging or transferring the book entry to produce the same effect.

IN THE EVENT that the initial Paying Agent or Registrar for the Bonds is changed by the Board, resigns, or otherwise ceases to act as such, the Board has covenanted in the Resolution that it promptly will appoint a competent and legally qualified substitute therefor, whose qualifications comply with the requirements of the Resolution, and that one entity will serve as Paying Agent and Registrar, except during periods when the Bonds are registered only by means of a book entry at a securities depository, and promptly will cause written notice thereof to be mailed to the registered owners of the Bonds.

BY BECOMING the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Resolution, agrees to be bound by such terms and provisions, acknowledges that the Resolution is duly recorded and available for inspection in the official minutes and records of the Board, and agrees that the terms and provisions of this Bond and the Resolution constitute a contract between each registered owner hereof and the Board.

THE BOARD reserves the right to amend the Resolution, as deemed necessary or desirable by the Board, with the consent of the registered owners of a majority in aggregate principal amount of the Bonds then Outstanding under the terms and conditions stated in the Resolution. The Board may, without the consent of the registered owners of the Bonds, adopt certain amendments to the Resolution as set forth in the Resolution.

IN THE EVENT of any conflict or inconsistency between the terms and provisions of this Bond and the terms and provisions of the Resolution, the terms and provisions of the Resolution shall control.

IT IS HEREBY CERTIFIED and recited that all acts, conditions and things required to be done precedent to and in the issuance of this Bond and the series of which it forms a part have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas and the Resolution, that the series of Bonds of which this is a part does not exceed any Constitutional or statutory limitation,

and that provision has been made for the payment of the principal of and interest on this Bond and the series of which it is a part by a pledge of the credit of the Issuer and of the funds specified herein.³²

[UNLESS THE COMPTROLLER'S REGISTRATION CERTIFICATE hereon has been executed by the Comptroller by manual signature, this Bond shall not be entitled to any benefit under the Resolution or be valid or obligatory for any purpose.]³³

[UNLESS THE REGISTRAR'S AUTHENTICATION CERTIFICATE hereon has been executed by the Registrar by manual signature, this Bond shall not be entitled to any benefit under the Resolution or be valid or obligatory for any purpose.]³⁴

IN TESTIMONY HEREOF, this Bond is executed with the manual or facsimile signatures of the Chairwoman of the Board and of the Executive Secretary of the Board, and the seal of said Board impressed, lithographed or printed hereon.

THE STATE OF TEXAS

Chairwoman, Veterans' Land Board
of the State of Texas

Executive Secretary, Veterans'
Land Board of the State of Texas

(SEAL)

³² Additional text or revisions as set forth in the related Pricing Certificate to be included as specified in such Pricing Certificate.

³³ To be included in an Initial Series 2025 Bond only.

³⁴ To be included in all Series 2025 Bonds of a series other than the Initial Series 2025 Bond.

*FORM OF REGISTRAR'S AUTHENTICATION CERTIFICATION ATTACHED TO
VARIABLE RATE BONDS OTHER THAN AN INITIAL SERIES 2025 BOND

REGISTRAR'S AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been issued under the provisions of the Resolution described in this Bond; and that this Bond has been issued in conversion of and exchange for or replacement of a bond, bonds, or a portion of a bond or bonds of an issue which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated: _____, _____,
_____, _____,
Registrar

By: _____
Authorized Representative

*FORM OF ASSIGNMENT

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite name and address, including zip code of Transferee)

Please insert Social Security
or Taxpayer Identification Number
of Transferee

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

_____ attorney to register the transfer of the within Bond on the books kept
for registration thereof, with full power of substitution in the premises.

Dated:

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

*FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE ATTACHED TO
AN INITIAL SERIES 2025 BOND

OFFICE OF COMPTROLLER §
STATE OF TEXAS § REGISTER NO. _____
 §

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Texas Comptroller of Public Accounts.

WITNESS MY HAND and seal of office at Austin, Texas _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

NOTE TO PRINTER:

* ¶s not to be on bond

EXHIBIT D

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 8.2 of this Resolution.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the Board to be provided annually in accordance with such Section are the quantitative financial information and operating data pertaining to the Board included in Appendix B to the Official Statement relating to each series of Series 2025 Bonds subject to the Rule.

Accounting Principles

The accounting principles referred to in such Section are generally accepted accounting principles for governmental units as prescribed by the Government Accounting Standards Board from time to time, as such principles may be changed from time to time to comply with state law or regulation.

CERTIFICATE OF RESOLUTION

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

I, the undersigned Executive Secretary of the Veterans’ Land Board (the “Board”) of the State of Texas, hereby certify as follows:

1. The Board convened in regular meeting on the [] day of November, 2025, at the designated meeting place, and the roll was called of the duly constituted officers and members of said Board, to-wit:

Dawn Buckingham, M.D.	Chairwoman
Gerald J. “Jud” Scott, Jr.	Member
James Rothfelder	Member

and all of said persons were present, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written resolution

BY THE VETERANS’ LAND BOARD OF THE STATE OF TEXAS
AUTHORIZING THE ISSUANCE AND SALE OF STATE OF TEXAS
VETERANS LAND BONDS, TAXABLE SERIES 2025 IN ONE OR MORE
SERIES AND INSTALLMENTS IN AN AGGREGATE PRINCIPAL AMOUNT
NOT TO EXCEED \$100,000,000, AND PROVIDING FOR OTHER MATTERS
RELATING TO THE SUBJECT

was duly introduced for the consideration of said Board. It was then duly moved and seconded that said Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

AYES: 3 NOES: 0

2. A true, full, and correct copy of the aforesaid Resolution adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that said Resolution has been duly recorded in said Board’s minutes of said Meeting; that the above and foregoing paragraph is a true, full, and correct excerpt from said Board’s minutes of said meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of said Board as indicated therein; and that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the aforesaid Meeting, and that said Resolution would be introduced and considered for adoption at said Meeting; and that said Meeting was noticed, convened, and conducted in full compliance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, as amended, regarding meetings of the Board.

3. The Resolution has not been modified, amended or repealed and is in full force and effect on and as of the date hereof.

SIGNED AND SEALED the ____ day of _____, 2024.

Anthony W. Dale, Executive Secretary

(SEAL)



MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: November 12, 2024

To: Dawn Buckingham, M.D., Chairwoman
James Rothfelder, Member
Judson Scott, Member

From: Raul Gonzales, Director of Land & Housing

Subject: Agenda Item 8 a - Consideration and possible action to set aside bids received from the Online Bidding Forfeited Land Sale held on October 17, 2024, on any tract where the account holder is making an appeal.

RECOMMENDATION: There were no appeals submitted; therefore, Agenda Item 8 a is a non-action item.



MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: November 12, 2024

To: Dawn Buckingham, M.D., Chairwoman
James Rothfelder, Member
Judson Scott, Member

From: Raul Gonzales, Director of Land & Housing

Subject: Agenda Item 8 b - Consideration and possible action to accept and award all qualified high bids received from the Online Bidding Forfeited Land Sale held on October 17, 2024

RECOMMENDATION: Staff recommends that the Board award all high bids that meet qualifications for the land program.

BACKGROUND: There were five tracts offered during the Veteran's Land Sale online bidding period from September 3, 2024, through October 17, 2024. A total of 28 bids were received for the tracts listed resulting in 5 high bids totaling \$533,601.

October 17, 2024
Veterans Land Sale
Awarded Tracts Pending Review Of Bidder Qualifications

COUNTY	TRACT NUMBER	AMOUNT OF BID	NAME
Ector	14927	\$43,100.00	Ankithgupta Artham
Kaufman	14928	\$60,000.00	Alexander Moreno
Medina	14929	\$155,501.00	David Elizondo
Medina	14930	\$110,000.00	Loren Osborne
Walker	14931	\$165,000.00	Dale Smith
Total Count	5	\$533,601.00	

**October 17, 2024
Veterans Land Sale
Summary Of All Bids**

TRACT NUMBER	AMOUNT OF BID	MINIMUM BID	BID PREFERENCE	NAME	COUNTY
14927	\$43,100.00	\$43,000.00	1	ANKITHGUPTA ARTHAM	Ector
	\$43,000.00	\$43,000.00	1	JONATHAN CAMPOS	Ector
	\$43,000.00	\$43,000.00	2	JOSHUA WHITMORE	Ector
14928	\$60,000.00	\$53,000.00	1	LOREN OSBORNE	Kaufman
	\$60,000.00	\$53,000.00	1	ALEXANDER MORENO	Kaufman
	\$55,555.00	\$53,000.00	1	SUNIL SUDIGALA	Kaufman
	\$55,000.00	\$53,000.00	1	DINESH AMAGAI	Kaufman
	\$55,000.00	\$53,000.00	1	FERMIN RODRIGUEZ	Kaufman
	\$55,000.00	\$53,000.00	1	HECTOR DIAZ	Kaufman
	\$55,000.00	\$53,000.00	1	EDWARD GONZALEZ	Kaufman
	\$54,000.00	\$53,000.00	1	FREDRICK WILSON	Kaufman
	\$54,000.00	\$53,000.00	1	RONESHA HENDESON	Kaufman
	\$54,000.00	\$53,000.00	1	TONY MCLEMORE	Kaufman
	\$53,679.00	\$53,000.00	1	FAWAZ NAYEEM	Kaufman
	\$53,554.00	\$53,000.00	1	RICHARD JONES	Kaufman
	\$53,000.00	\$53,000.00	1	JOSHUA WHITMORE	Kaufman
14929	\$155,501.00	\$143,000.00	1	DAVID ELIZONDO	Medina
	\$155,213.00	\$143,000.00	1	COREY DORSEY	Medina
	\$150,000.00	\$143,000.00	2	LOREN OSBORNE	Medina
	\$145,000.00	\$143,000.00	2	LOBSANG SALAKA	Medina
	\$144,000.00	\$143,000.00	1	ASHOK YELETI	Medina
	\$143,000.00	\$143,000.00	3	JOSHUA WHITMORE	Medina
14930	\$110,000.00	\$93,000.00	3	LOREN OSBORNE	Medina
	\$100,000.00	\$93,000.00	1	LLOYD LOYA	Medina
	\$95,000.00	\$93,000.00	1	LOBSANG SALAKA	Medina

**October 17, 2024
Veterans Land Sale
Summary Of All Bids**

	\$93,000.00	\$93,000.00	1	LEO TORRES	Medina
	\$93,000.00	\$93,000.00	4	JOSHUA WHITMORE	Medina
14931	\$165,000.00	\$160,000.00	1	DALE SMITH	Walker
Total	\$2,395,602.00		28		



MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: November 12, 2024

To: Dawn Buckingham, M.D., Chairwoman
James Rothfelder, Member
Judson Scott, Member

From: Raul Gonzales, Director of Land & Housing

Subject: Agenda Item 8 c - Consideration and possible action on request to forfeit VLB delinquent land accounts and accounts involved in tax suits.

RECOMMENDATION: Staff recommends that the Board take forfeiture action on the Resolution before you, except on accounts where sufficient funds are received to avoid that action.

PURPOSE: For consideration and approval of forfeiture on the accounts that are being presented for forfeiture action today. The accounts are recommended for forfeiture due to non-payment of principal and interest and delinquent property taxes.

BACKGROUND: Of the accounts being presented today, three of the account holders are deceased and we are working with the heirs on trying to make payment arrangements. Two of the accounts are being presented for non-payment of property taxes, and the local taxing authorities have filed a tax suit. We have been unable to contact the two remaining account holders.

RESOLUTION OF FORFEITURE MONTHLY ACCOUNTS

WHEREAS, the Veterans Land Board of the State of Texas made and entered into contracts, or approved the transfer thereof, under the provisions of Chapter 318, Acts of the 51st Legislature, 1949, as amended, with the following named contract-holders on the dates indicated:

CONTRACT HOLDER	ACCOUNT NUMBER	COUNTY OF LAND	SALE DATE	DELINQ AMOUNT	PAYMENTS DELINQ	LOAN AMOUNT	PRINCIPAL BALANCE
R. QUESTNOT	149879	BANDERA	05/09/1997	\$17,331.00	109	\$19,950.00	\$12,984.00
J. SANCHEZ	158178	MEDINA	10/18/2002	\$895.00	5	\$35,150.00	\$10,986.38
M. MARCHES	161414	MATAGORDA	11/04/2005	\$715.00	5	\$22,159.00	\$13,370.00
R. FONTAINE	162670	BASTROP	1/19/2007	\$1,428.00	6	\$33,500.00	\$22,474.77
D. WYCHE	163482	GRIMES	11/23/2007	\$4,624.00	16	\$44,999.00	\$30,830.49

WHEREAS, these contract-holders have failed and refused to make payments of principal and interest due on such contracts,

AND WHEREAS, in compliance with the Statutes in such case made and provided, notice of such delinquency and/or default and impending forfeiture has been given to each of these contract-holders at his/her last-known address at least thirty days previous to this date;

NOW THEREFORE, BE IT RESOLVED by the Veterans Land Board of the State of Texas that the Chair be and is hereby directed to endorse upon the wrappers containing the papers of each of the above-referenced sales or upon each purchase contract filed in the office of the Veterans Land Board the word 'Forfeited', with the date of this action, and to sign the same officially, effective November 12, 2024.

I, Anthony W. Dale, Executive Secretary, of the Texas Veterans Land Board, do hereby certify that the foregoing is a true and correct copy of a resolution appearing in the minutes of the Veterans Land Board meeting held November 12, 2024.

Anthony W. Dale, Executive Secretary
Texas Veterans Land Board

_____ Legal

Sworn to and subscribed before me by the above party this _____ day of _____, _____.

Notary Public in and for Travis County, Texas

RESOLUTION OF FORFEITURE SEMI-ANNUAL ACCOUNTS

WHEREAS, the Veterans Land Board of the State of Texas made and entered into contracts, or approved the transfer thereof, under the provisions of Chapter 318, Acts of the 51st Legislature, 1949, as amended, with the following named contract-holders on the dates indicated:

CONTRACT HOLDER	ACCOUNT NUMBER	COUNTY OF LAND	SALE DATE	DELINQ AMOUNT	PAYMENTS DELINQ	LOAN AMOUNT	PRINCIPAL BALANCE
W. MORROW	108341	KAUFMAN	8/13/1984	\$712.00	6	\$16,150.00	\$1,370.43

WHEREAS, these contract-holders have failed and refused to make payments of principal and interest due on such contracts,

AND WHEREAS, in compliance with the Statutes in such case made and provided, notice of such delinquency and/or default and impending forfeiture has been given to each of these contract-holders at his/her last-known address at least thirty days previous to this date;

NOW THEREFORE, BE IT RESOLVED by the Veterans Land Board of the State of Texas that the Chair be and is hereby directed to endorse upon the wrappers containing the papers of each of the above-referenced sales or upon each purchase contract filed in the office of the Veterans Land Board the word 'Forfeited', with the date of this action, and to sign the same officially, effective November 12, 2024.

I, Anthony W. Dale, Executive Secretary, of the Texas Veterans Land Board, do hereby certify that the foregoing is a true and correct copy of a resolution appearing in the minutes of the Veterans Land Board meeting held November 12, 2024.

Anthony W. Dale, Executive Secretary
Texas Veterans Land Board

_____ Legal

Sworn to and subscribed before me by the above party this _____ day of _____, _____.

Notary Public in and for Travis County, Texas

RESOLUTION OF FORFEITURE
DELINQUENT TAXES AND
CONTRACT VIOLATIONS

WHEREAS, the Veterans Land Board of the State of Texas made and entered into contracts, or approved the transfer thereof, under the provisions of Chapter 318, Acts of the 51st Legislature, 1949, as amended, with the following named contract-holders on the dates indicated:

NAME	ACCOUNT NUMBER VLB/DMI	COUNTY OF LAND	CONTRACT DATE	PRIN BAL	DELINQ TAX AMOUNT
S. Moore	120714/3800229035	Mills	07/14/2006	\$707.97	\$8,023.54

WHEREAS, under Section 175.8 (g) of the rules of the Texas Veterans Land Board, all taxes (County, School, Water District, City, or any other tax) shall be kept current. Evidence of their payment is to be submitted by May 1 of each year;

WHEREAS these contract-holders have failed and refused to comply with the rules of the Veterans Land Board relating to the payment of taxes;

AND WHEREAS, in compliance with the Statutes and Rules in such case made and provided, notice of such delinquency and/or default and impending forfeiture has been given to each of these contract-holders at his last known address at least thirty days previous to this date;

NOW THEREFORE, BE IT RESOLVED by the Veterans Land Board of the State of Texas that the Chairman be and is hereby directed to endorse upon the wrappers containing the papers of each of the above-referenced sales or upon each purchase contract filed in the office of the Texas Veterans Land Board the word "Forfeited", with the date of this action, and to sign the same officially, effective **November 12, 2024**.

I, Anthony W. Dale, Executive Secretary, of the Texas Veterans Land Board, do hereby certify that the foregoing is a true and correct copy of a resolution appearing in the minutes of the Veterans Land Board meeting held **November 12, 2024**.

Anthony W. Dale, Executive Secretary
Texas Veterans Land Board

_____ Legal

Sworn to and subscribed before me by the above party this _____ day of _____, _____.

Notary Public in and for the State of Texas



MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: November 12, 2024

To: Dawn Buckingham, M.D., Chairwoman
James Rothfelder, Member
Judson Scott, Member

From: Raul Gonzales, Director of Land & Housing

Subject: Agenda Item 8 d - Consideration and possible action on request to Order for Sale land tracts that may be included in the next Online Bidding Forfeited Land Sale.

RECOMMENDATION: Staff recommends that the Board approve the Order for Sale of the land tracts listed and set the quarterly land sale date to begin December 2, 2024, at 8:00 A.M. and end on January 16, 2025, at 5:00 P.M.

PURPOSE: For consideration and approval of listing the accounts to be considered for the Order for Sale action today. Staff requests the Board's authority to pull any account that is reinstated prior to the sale date.

BACKGROUND: On one of the accounts being presented today the account holder is deceased. We have attempted to contact the heirs, but we have received no response. On the remaining account we have been unsuccessful in contacting the account holder.

RESOLUTION TO ORDER FOR SALE

WHEREAS, the Veterans Land Board of the State of Texas made and entered into contracts, or approved the transfer thereof, under the provisions of Chapter 318, Acts of the 51st Legislature, 1949, as amended, with the following named contract-holders on the dates indicated:

CONTRACT HOLDER	ACCOUNT NUMBER	COUNTY OF LAND	CONTRACT DATE	LOAN AMOUNT	PRINCIPAL BALANCE
R. COGBURN	100901	GRAYSON	02/03/1983	\$19,000.00	\$522.68
G. DRAPER	145699	GRIMES	08/11/1995	\$18,495.00	\$204.77

AND WHEREAS, the Veterans Land Board has set a Forfeited Land Sale on November 12, 2024.

BE IT RESOLVED by the Veterans Land Board of the State of Texas that the listed tracts will be advertised for sale in the quarterly electronic Forfeited Land Sale, which bidding period will begin December 2, 2024, and end January 16, 2025, 5:00 p.m.

Anthony W. Dale, Executive Secretary
Texas Veterans Land Board

_____ Legal

Sworn to and subscribed before me by the above party this _____ day of _____, _____.

Notary Public in and for Travis County, Texas



MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: November 12, 2024

To: Dawn Buckingham, M.D., Chairwoman
James Rothfelder, Member
Judson Scott, Member

From: Raul Gonzales, Director of Land & Housing

Subject: Agenda Item 8 e - Consideration and possible action on delegation of authority to the Executive Secretary to raise home loan maximum amount to match the Veterans Administration (VA) and Federal Housing Finance Agency (FHFA) limits.

RECOMMENDATION: Staff is recommending that the limit in the Veterans' Housing Assistance Program (VHAP) be increased from its current maximum of \$766,550 to the maximum amount allowable for a similar home mortgage loan through the United States Department of Veterans Affairs (VA) and the Federal Housing Finance Agency (FHFA) beginning with rate locks issued on and after January 1, 2025, or whatever date the VA increases their maximum allowable mortgage loan amount, but no earlier than January 1, 2025.

BACKGROUND: As shown in the table below, the loan limit in the VHAP has increased several times from its original \$20,000 amount to today's current limit of \$766,550.

YEARS	VHAP LOAN LIMIT
1983	\$20,000
1991	\$45,000
1999	\$150,000
2002	\$200,000
2003	\$240,000
2006	\$325,000
2012	\$417,000
2017	\$424,100
2018	\$453,100
2019	\$484,350
2020	\$510,400
2021	\$548,250
2022	\$647,200
2023	\$726,200
2024	\$766,550
2025	VA Maximum Loan Limit

The increase in 1999 from \$45,000 to \$150,000 followed the passage of legislation that amended Chapter 162, Texas Natural Resources Code, to provide that the Board's maximum loan amount could not exceed the "maximum amount allowable for a similar home mortgage loan through the United States Department of Veterans Affairs (VA)". Effective January 1, 2020, the VA, in accordance with the "Blue Water Navy Vietnam Act" removed their maximum loan limit for a home mortgage loan. VA home loan limits are the same as the Federal Housing Finance Agency (FHFA) limits. These are called conforming loan limits.

The Federal Housing Finance Agency (FHFA) establishes their conforming loan limits on an annual basis, by comparing year-over-year home price changes. FHFA compares third-quarter home prices from the previous year to third-quarter prices for the current year to set next year's loan limits, which go into effect on January 1 of each year. In order to calculate the conforming loan limits for 2024, FHFA needs the house pricing data through September 2024. This quarterly data will not be released until late November. However, based on preliminary data for 2024, the conforming loan limit may increase from \$766,550 in 2024 to \$802,650 for 2025.



MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: November 12, 2024

To: Dawn Buckingham, M.D., Chairwoman
James Rothfelder, Member
Judson Scott, Member

From: Raul Gonzales, Director, VLB Land and Housing Program

Subject: Agenda Item 8 f - Consideration and possible action on approving continued payments to CoreLogic Credco and CoreLogic Solutions under GLO Contract No. 21-048-000-C605 to ensure loan processing services for the VLB's Land and Housing Program.

RECOMMENDATION: Staff recommends the Board approve future payments to CoreLogic Credco and CoreLogic Solutions under GLO Contract No. 21-048-000-C605.

Summary:

One of the core functions of the VLB is to provide low-interest loans to veterans for the purchase of land and for making home improvements. The VLB performs these services through its Land and Housing Program ("Program"). As part of its loan approval process, the VLB is required to adopt credit, underwriting, and appraisal standards that protect the best interest of the Program and limit the exposure of its funds to any losses.

On December 13, 2021, the VLB entered into GLO Contract No. 21-048-000-C605 ("Contract") with CoreLogic Credco, LLC ("Credco") through which the former provides credit-related information on veterans applying for loans through the Program. In February 2022, additional services of Credco's affiliate, CoreLogic Solutions, LLC ("CoreLogic"), were added to the Contract. These services provide the Program with information on liens and judgments against loan applicants. The combination of services allows the Program to meet the abovementioned standards and to make informed decisions on whether and to what extent to offer its benefits to loan applicants.

To date, the VLB has expended \$700,654.18 on this Contract through varying monthly payments based on monthly numbers of applicants. Program anticipates future expenditures for the remainder of the 15 months remaining on the Contract at approximately \$408,375, with total expenditures at \$1,109,029 for the life of the Contract. As the value of the Contract exceeds \$1,000,000, VLB staff requests the VLB approve Program's future expenditures for the remainder of the Contract.

If approved, the Program will continue to use these services to more efficiently process applications to meet its duties in providing loans to veterans.



MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: November 12, 2024

To: Dawn Buckingham, M.D., Chairwoman
James Rothfelder, Member
Judson Scott, Member

From: Raul Gonzales, Director of Land & Housing

Subject: Agenda Item 8 g – Recognition of top lenders and loan officers for the 2024 Veterans Housing Assistance Loan Program.

RECOMMENDATION: This agenda item requires no action from the Board.

In 1983, the Texas Legislature created the Veterans Housing Assistance Program (VHAP) to assist Texas veterans in purchasing a home. The Texas voters overwhelmingly approved a constitutional amendment authorizing the issuance of bonds to fund this program. Since its inception, more than 100,000 Texas Veterans have taken advantage of this self-supporting program without costing taxpayers a single penny. The program is funded by issuing bonds authorized by the voters; the bonds, as well as the cost of administering the program, are paid for by the veterans who participate in the program.

The Veterans Housing Assistance Program allows Veterans to borrow a maximum of \$766,550 to purchase a primary residence at a (usually) lower than market interest rate. Loans are originated by Participating Lenders and must meet applicable Agency (Fannie Mae/Federal Housing Administration/Veterans Administration) guidelines and VLB guidelines.

Eligible Lender Participants include banks, trust companies, savings banks, national banking associations, mortgage bankers, mortgage companies, mortgage brokers, credit unions, or other financial institutions that have a primary business purpose in the origination and/or servicing of mortgages of single-family residential housing. There are three basic types of Lender Participants in the Texas Veterans Land Board Program: Primary Lender Participant, Participant Servicer and a Correspondent Lender Participant.

In addition, Lender Participants:

- Must demonstrate a proven ability to originate and/or service Texas Veterans Land Board loans and employ staff with adequate knowledge and experience with the Program.
- Must meet criteria established by the Board for participation in the Program, including maintenance of minimum net worth standards.
- Must maintain management and quality control systems to evaluate the overall quality of its loan production and/or servicing activities.

For Fiscal Year 2024, 1,015 loans were purchased and a total of \$396,933,264.87 was funded utilizing the Program.

The top five lenders and loan officers for fiscal year 2024 are listed below:

Top Lenders	Loan Count	Amount
Cornerstone Home Lending, Inc.	115	\$48,306,457
Gateway Mortgage	102	\$39,231,311
InterLinc Mortgage Services, LLC	87	\$33,158,308
First Continental	69	\$34,446,007
City Bank Mortgage	41	\$12,752,387

Top Loan Officers	Mortgage Lender	Loan Count	Amount
Sam Guido IV	City Bank Mortgage	32	\$9,785,179
Jill Thompson	InterLinc Mortgage Services, LLC	20	\$7,260,254
Benito Solis	InterLinc Mortgage Services, LLC	17	\$6,554,814
Erika Slayton	Wallick & Volk, Inc.	14	\$5,650,811
Everett Elstak	Cornerstone Home Lending	12	\$6,626,708



MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: November 12, 2024

To: Dawn Buckingham, M.D., Chairwoman
James Rothfelder, Member
Judson Scott, Member

From: Dr. John Kelley, Director, Texas State Veterans Cemeteries

Subject: Agenda item 9 a - Report on Texas State Veteran Cemetery Operations.

RECOMMENDATION: This agenda item requires no action from the Board.

Veterans Administration (VA) Developments:

- The Coastal Bend State Veterans Cemetery expansion project (TX-23-33) in Corpus Christi continues on schedule and on budget with work ongoing at the columbaria, irrigation repairs, and pre-positioned crypts installation. Photos are provided below.
- The West Texas State Veterans Cemetery in Lubbock construction project (TX-23-34) continues on schedule and on budget. Work is focused on buildings, including the Administration Building, the maintenance facility, and committal shelter. There are a significant number of pre-registrations already received which are indicative of public interest. Photos are provided below.
- The VA grant opportunity for expansion of the Central Texas State Veterans Cemetery in Killeen (TX-23-35) was received in October. The Kickoff meeting was conducted with the National Cemetery Administration (NCA) on November 7, 2024, at the cemetery. The expansion now moves into the engineering and design phase, the output of which will become the basis for statewide solicitation in the near future. This expansion will add 5,400 pre-positioned crypts for casket burials, 4,000 columbarium niches, and a second committal shelter; integrate Space Force as a separate branch; create additional administrative space; add automatic gates, and provide various irrigation improvements.
- Every year, the VA surveys Next of Kin and Funeral Directors of services conducted at our Texas State Veterans Cemeteries to determine customer satisfaction rates. In 2022, the score was 98.12%. I reported to you previously that the score rose to 99.03% last year. We are proud to announce that our score went up again in FY 24 to 99.11%. Certificates of appreciation will be presented to the City of Mission, Nueces County, the City of Killeen and the City of Abilene in December along with plaques for the staff at each of the four cemeteries in recognition of their contributions to achieve this superb level of customer service for our Veterans and their families.

VLB Initiatives:

- Three war monuments were dedicated at the Texas State Veterans Cemetery at Abilene on November 11, 2024. World War II, the Korean War, and the Persian Gulf wars all join the Vietnam monument at Abilene in the Memorial Plaza as a place of honor and respect.
- Since 2022, and again this year, the Texas State Veterans Cemeteries have been participating in Operation Green Light for Veterans. Proposed originally at the county level across the nation, it involves bathing public buildings in green light to honor veterans, and all cemeteries currently have their entrances bathed in green light. As in the past, we will leave the green lights up thru the holiday season and go back to white lights on New Years Day. See photos attached.
- In the spring of 2023, a major windstorm damaged the cemetery grounds at Mission. Trees were damaged as well as the roof tiles of the Administration building and the committal shelter. VLB funds have been provided and we are moving forward with replacing the roofs of both buildings, integrating Space Force, and installing automatic gates. This project should be completed in FY 25.
- The cemetery program has attended a number of robotic mower demonstrations over the past 1.5 years, and, in September, we had a demonstration of exactly what we were looking for. The robot mower is fully autonomous but can also be in non-robot mode for manual mowing. We are looking to procure one robot mower for each cemetery to mow the non-plot areas of the cemeteries and save manpower to use on other tasks. See photos and video.
- A private landowner in east Texas is currently wrapping up title issues associated with donating 64 acres for the purpose of constructing a Texas State Veterans Cemetery in east Texas. A Phase I environmental survey is underway in preparation for the donation. The National Cemetery Administration is interested in putting a cemetery in east Texas because of the large (>32,000) unserved veteran population. This is the largest unserved Veteran population statewide. We will be proposing the location for approval in an upcoming Cemetery Committee meeting.
- On July 30, 2024, the Board delegated authority to the Executive Secretary to execute contracts for the management and operations of the Texas State Veterans Cemetery in Abilene, the Central Texas State Veterans Cemetery in Killeen, the Rio Grande Valley State Veterans Cemetery in Mission, the Coastal Bend State Veterans Cemetery in Corpus Christi, and the West Texas State Veterans Cemetery in Lubbock. All of these local government support contracts were renewed. The contract with Lubbock is prepared for implementation on January 1, 2025 and will be presented at Lubbock City Council on December 3, 2024.

Other Items of Interest:

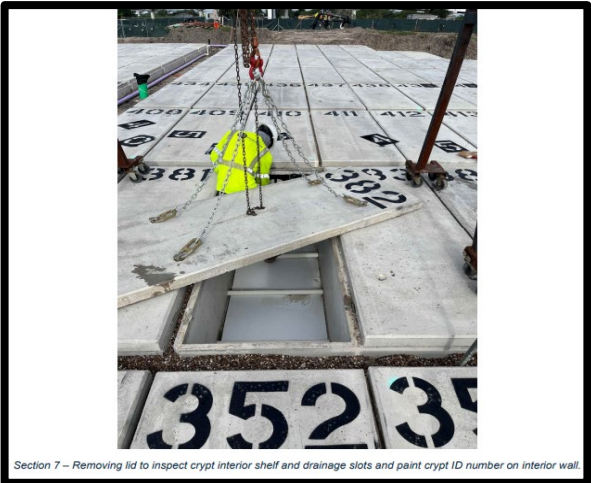
- With shorter daylight hours, all cemeteries shifted to reduced hours on October 1, 2024. The gates are now open daily until 6:00 P.M. On April 1, 2025, the hours will revert to closing time at 8:00 P.M.
- In Fiscal Year 2024, we interred a total of 2,550 veterans and family members in our cemeteries. It is our honor to serve them and their families.

- Please indulge me for a moment as I wish to express a very Happy Birthday to Doug Gault, our OSR Manager and OSR at the Central Texas State Veterans Cemetery in Killeen. Happy Birthday Chief.

TX-22-33 Corpus Christi Expansion



Section 7 – Completed crypt placement.



Section 7 – Removing lid to inspect crypt interior shelf and drainage slots and paint crypt ID number on interior wall.



Section 6 – 1/2 of the crypt lids in Section 6 have been replaced and painted with ID numbers. Irrigation lateral pipes installed.



Columbaria Plaza – Double Sided wall masonry veneer installation.



TX-22-34 Lubbock Establishment

South Plains Electric (SPEC) installed the transformer for the site electrical.





Operation Green Light for Veterans



Robotic Mowers



TX-23-33 – Corpus Christi Expansion



Section 7 – Completed crypt placement.

TX-23-33 – Corpus Christi Expansion



Section 7 – Removing lid to inspect crypt interior shelf and drainage slots and paint crypt ID number on interior wall.

TX-23-33 – Corpus Christi Expansion



Section 6 – ½ of the crypt lids in Section 6 have been replaced and painted with ID numbers. Irrigation lateral pipes installed.

TX-23-33 – Corpus Christi Expansion



Columbaria Plaza – Double Sided wall masonry veneer installation.

TX-23-33 – Corpus Christi Expansion



TX-23-34 – Lubbock Establishment

South Plains Electric (SPEC) installed the transformer for the site electrical.



TX-23-34 – Lubbock Establishment



TX-23-34 – Lubbock Establishment



TX-23-34 – Lubbock Establishment



TX-23-34 – Lubbock Establishment



Operation Green Light for Veterans

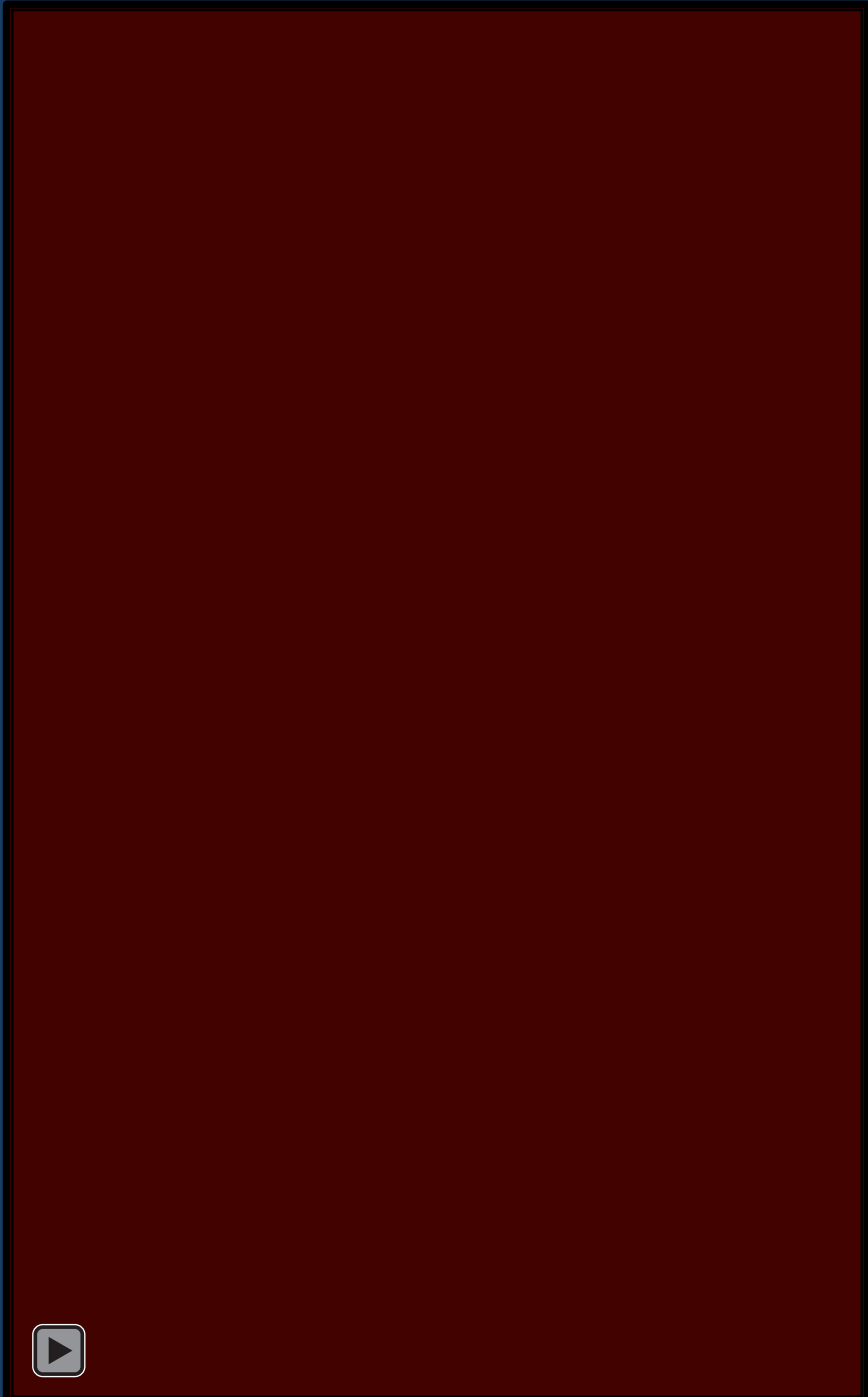


Operation Green Light for Veterans



Robotic Mower







MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: November 12, 2024

To: Dawn Buckingham, M.D., Chairwoman
James Rothfelder, Member
Judson Scott, Member

From: Bobby Breeden, Director Texas State Veterans Homes

Subject: Agenda Item 10 a – Report on Texas State Veterans Home Operations.

RECOMMENDATION: This agenda item requires no action from the Board.

Dedication of Replica P-51C at Tuskegee Airman Home in Fort Worth

Chairwoman Dawn Buckingham, M.D., unveiled the P-51C Mustang replica aircraft at the new Tuskegee Airmen Texas State Veterans Home in Fort Worth on Friday, August 2, 2024. The replica bears the famous red tail in honor of the distinguished World War II pilots who were nicknamed the “Red Tails” for the iconic red markings on the tails of their aircraft.

Along with Chairwoman Buckingham, several prominent figures connected with the Fort Worth community spoke at the event, including:

Veterans Land Board Executive Secretary, Tony Dale
Councilman Chris Nettles, Council District Eight in Fort Worth (Invocation)
Don Graves, Iwo Jima Veteran (National Anthem)
U.S. Congressman Marc Veasey, Texas' Congressional District 33
Representative Nicole Collier, House District 95, Texas House of Reps.
Representative David Cook, House District 96, Texas House of Reps.
Representative Ramón Romero Jr., House District 90 in the Texas House of Reps.
Landon Nitschke, Senior Vice President of Technical Operations for Southwest Airlines
André McEwing, Vice Chairman of the Fort Worth Metropolitan Black Chamber of Commerce
Al Henderson, Vice President of the Claude R. Platte Dallas Fort Worth Chapter of Tuskegee Inc

Bi-Annual Operator Meetings:

Bi-Annual Operator meetings were conducted with Touchstone and HMR-VSI at the Stephen F. Austin Building on October 3 and 4, 2024. Discussions were held on areas of importance to include staffing, survey results, pharmacy issues, financial items, and the expectations for the next six months.

Amarillo TSVH Operator Change:

HMR-VSI assumed control of the Amarillo Texas State Veterans Home on September 1, 2024. HMR-VSI has been able to recruit and fill many positions and is maintaining an average of 98% daily census. They also conducted meetings with the VA Hospital Staff and other local vendors regarding the transition.

New VLB Program Administrator:

Troy Turner, a U.S. Air Force retiree, was promoted, effective October 1, 2024, from the On-Site Representative at Tyler Texas State Veterans Home to the Program Administrator for the VLB. In this capacity Troy will supervise all the On-Site Representatives at each home.

Commitment to Quality Bronze Award – Big Spring and Floresville

The Lamun-Lusk-Sanchez Texas State Veterans Home (TSVH) in Big Spring and the Frank M. Tejada TSVH in Floresville received the American Health Care Association/National Center for Assisted Living (AHCA/NCAL) Commitment to Quality Bronze Award in August 2024. Both are operated by Touchstone.

The AHCA/NCAL Quality Award Program spotlights organizations that continuously meet rigorous performance standards to enhance the lives of residents and staff at long-term and post-acute care facilities. Only 709 out of 15,000 plus facilities were recognized by this award program in 2024. Of those 709 facilities, 16 were in Texas. Two of the Texas facilities were VLB Texas State Veterans Homes. AHCA/NCAL is the largest association in the United States representing long-term and post-acute care providers, with a robust membership of more than 15,000 facilities. Membership comprises a diverse array of non-profit and proprietary skilled nursing centers, assisted living communities, sub-acute centers, and homes for individuals with intellectual and developmental disabilities.

Assisting Veterans with VA Disability Claims

Each Texas State Veterans Home has a partnership with a Texas Veterans Commission Claims Specialist. The Claims Specialists are advocates for Texas Veterans who assist Veterans in making claims for disability benefits to the VA. The Claims Specialists visit the community a minimum of one time per month to evaluate the Veterans that may need assistance with VA disability claims. The Claims Specialists, with the Veteran's consent, complete a disability packet on behalf of the Veteran. Veterans with a Service-Connected Disability of 70% (SCD-70) or greater live in the homes at no charge. The partnership with VLB and TVC started in May 2024. Numerous Veterans have benefited from this partnership as shown in the table below.

VLB/TVC PARTNERSHIP		
Veterans increased at or above SCD 70%		
HOME	SCD-70 OR GREATER	PENDING APPLICATIONS
Amarillo	2	9
Big Spring	2	11
Bonham	9	22
El Paso	0	
Floresville	4	
Fort Worth		
Houston		
McAllen	0	
Temple	2	
Tyler	3	8
TOTAL	22	50



MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: November 12, 2024

To: Dawn Buckingham, M.D., Chairwoman
James Rothfelder, Member
Judson Scott, Member

From: Morris Karam, Attorney, GLO/VLB

Subject: Agenda Item 11 a - Consideration and possible action on the final adoption of proposed amendments to 40 Texas Administrative Code §178.5, concerning burial eligibility criteria in Texas State Veterans Cemeteries.

RECOMMENDATION: Staff recommends the Board adopt proposed amendments to 40 Texas Administrative Code §178.5 to extend eligibility to Texas Military Forces members killed on state active duty or state training and other duty.

Summary

At its June 25, 2024, special called meeting and pursuant to its rulemaking authority under Chapter 164 of the Texas Natural Resources Code, the Board unanimously approved Staff recommendations to conduct rulemaking related to proposed amendments to the Texas Administrative Code, Title 40, Part 5, Chapter 178, §178.5. This rule outlines eligibility requirements for interment in Texas State Veterans Cemeteries (“TSVCs”).

The purpose of the proposed amendments is to extend burial eligibility at TSVCs to Texas Military Forces (“TXMF”) members killed on state active duty or during state training and other duty, as defined in Chapter 437 of the Texas Government Code. The proposed amendments follow the Bishop Evans Act (House Bill 90). Signed by the Governor on June 12, 2023, the Act provides death benefits to the families of TXMF members killed on state active duty or state training and other duty.

In requesting approval, staff noted that it anticipated the number of eligible individuals to be limited, with an approximate total cost of \$1,100 per burial. Staff further noted that the current \$500 cost for grave markers would be reimbursed by the Texas Military Department through a memorandum of understanding. Staff added that costs to the VLB would be approximately \$550 per interment.

Notice of the proposed amendments was published in the Texas Register on July 19, 2024. To date, no public comment has been received.

The rule with its proposed amendments follows:

For each TSVC, the Board will allow for the interment of veterans and eligible relatives as defined by the USDVA laws and regulations. In addition, the Board will allow for the interment of Texas Military Forces members killed on state active duty or during state training and other duty, as defined in Chapter 437 of the Texas Government Code.

If approved, staff will file a notice of adoption of the rule's changes with the Secretary of State, and concurrently, publish a notice of adoption in the Texas Register. Pursuant to Section 2001.036 of the Texas Government Code, the amended version of the rule will take effect 20 days post-filing.



MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: October 22, 2024

To: Dawn Buckingham, M.D., Chairwoman
James Rothfelder, Member
Judson Scott, Member

CC: Jennifer Jones, Chief Clerk and Deputy Land Commissioner
Jeff Gordon, General Counsel

From: DeQuincy Adamson, Director of Internal Audit
Tracey Hall, Chief of Audit and Compliance

Subject: Agenda Item 12 a – Presentation of the Fiscal Year 2025 Audit Plan, and postponement of action for issuance of a solicitation and subsequent award of a contract for audit services to audit the VLB Bond Program.

RECOMMENDATION: This agenda item requires no action from the Board.

Summary:

A. FY2025 Internal Audit Plan: Each year, Internal Audit performs a risk assessment of all GLO and VLB operations. The annual audit plan is developed based on the data obtained in the risk assessment.

The annual audit plan is attached.

The item presented to you today is to notify the Board of a planned VLB audit:

Project No. 25-03: The audit plan for this year includes an audit of the VLB Land and Housing Division. The audit will be of Loan Processing. The preliminary objective of the audit is to assess the effectiveness, efficiency, and compliance of the loan origination, processing, and closing processes. The audit will focus on evaluating the adequacy of internal controls, ensuring regulatory compliance, and identifying opportunities for operational improvement to mitigate risks.

Internal Audit will seek to provide insights and assurance of VLB Land and Housing's current operational performance in loan processing and highlight areas for possible improvements to controls, regulatory compliance, and overall process optimization.

B. Postponement of Audit of the VLB Bond Program: Internal audit has completed the issuance of a master agreement with multiple qualified auditing firms/vendors to perform future audits in various areas across the GLO and VLB.

Due to a re-evaluation of risk and audit priorities, Internal Audit is postponing the issuance of an audit of the Bond Program. If the program is included in a future audit plan, Internal Audit will bring this item back to the Board to seek approval for the issuance of a solicitation for audit services.



TEXAS GENERAL LAND OFFICE
COMMISSIONER DAWN BUCKINGHAM, M.D.

OFFICE OF AUDIT & COMPLIANCE

FISCAL YEAR 2025
ANNUAL INTERNAL AUDIT PLAN

RISK ASSESSMENT

Internal Audit has completed the Fiscal Year (FY) 2025 Annual Risk Assessment. The risk data was obtained from management interviews regarding activities conducted and administered in their divisions and across the agency. Internal Audit considered management's interest based on input from the Commissioner, Chief Clerk, and Senior Agency Leadership. This assessment also incorporates data from the agency's strategic plan, appropriated budgets, and prior audits.

Auditable units and identified risks from the interviews were categorized according to twenty-one (21) risk factors and ranked based on inherent impact, likelihood, and calculated risk. The strength of existing controls was further calculated to identify a final residual risk score. Residual risk is the amount of risk not eliminated by controls and the exposure that remains after all the known risks have been considered or addressed. Identified risks were categorized according to the following risk factors:

- | | |
|---|--|
| 1. Governance and Oversight | 12. Potential for Fraud, Waste, and Abuse |
| 2. Contract Management and Monitoring | 13. Management Controls |
| 3. Financial | 14. Documentation of Policies and Procedures |
| 4. Regulatory Compliance | 15. Appropriate Access |
| 5. Information Security | 16. Supervision and Training |
| 6. Data Integrity | 17. Business Continuity |
| 7. Change Management | 18. Complexity of Operations |
| 8. Operational Controls | 19. Data Reliability |
| 9. Public Exposure & Sensitivity | 20. Information Systems |
| 10. Extent of Outsourcing and Contracting | 21. Organizational Changes |
| 11. Third-Party Risks | |

ANNUAL AUDIT PLAN

The audit plan is designed to maximize the coverage of overall agency risks with available internal and external (contracted) resources. Each project provides the Audit Title, Division, and Program Area. The provided FY2025 plan also lists follow-up projects, other special projects, and annual reports that are part of our internal audit activities.

FY2025 AUDIT PLAN			
No.	Audit Title	Division(s)	Program Area(s)
1	Audit of Grant Management Processes	CDR	CDR Grant Management
2	Audit of Cash Management Processes – Centralized Accounting and Payroll/Personnel System (CAPPS) Financial Module	Financial Management	Cash Management & Operations
3	Audit of Fixed Asset Inventory	Financial Management	Cash & Data Management
4	Audit of VLB Loan Processing	VLB	Land and Housing
5	Audit of the Texas Coastal Resilience Master Plan – Vendor Management	Coastal Resources	Grant Programs
6	Audit of Agency Contract Management Processes	Various	Various
7*	Audit of the Texas Integrated Grant Reporting (TIGR) System	CDR	CDR
8*	Audit of the State-Run Housing Assistance Program (HAP)	CDR	CDR

(*) Designates a contracted audit engagement.

FY2025 PLANNED FOLLOW-UP REVIEWS		
Audit Follow-Up Title	Division(s)	Program Area(s)
Audit of Compliance with Texas Administrative Code (TAC) 202 (2016)	Information Security Information Technology Services (ITS)	Information Security Integrated Services

FY2025 PLANNED FOLLOW-UP REVIEWS		
Audit Follow-Up Title	Division(s)	Program Area(s)
Audit of Compliance with Texas Administrative Code (TAC) 202 (2019)	Information Security ITS	Information Security ITS
Audit of Agency Cloud Services Management (2021)	Information Security ITS Procurement	Information Security ITS Procurement
Audit of Program Contract Management Processes (2021)	ITS	ITS
Audit of Grant Compliance for CDBG-DR 2015/2016 Flood Programs (2022)	Community Development & Revitalization (CDR)	Grant Management City of Houston / Harris County
Audit of Business Continuity Preparedness (2022)	ITS Human Resources	ITS Human Resources
Audit of Compliance with TAC 202 (2024)	Information Security ITS	Information Security ITS
Audit of the Operations of the Gulf Coast Protection District (GCPD)	Financial Management Coastal Resources	Federal Finance & Grant Management
Audit of Alamo Complex Operations	Heritage	Alamo Complex

FY2025 MANAGEMENT ASSISTANCE / SPECIAL PROJECTS	
Project Title	Division/Program Area
Audit Management System Implementation	Internal Audit
Annual Risk Assessment and Internal Audit Plan	Internal Audit
Annual Report on Internal Audit (SAO)	Internal Audit
Annual Report on the Internal Audit Quality Management Program	Internal Audit
Special Projects/Investigations	Internal Audit
Liaison for external audits and oversight entities (Federal and State)	Internal Audit
Management Assistance & Other Activities	Internal Audit



MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: November 12, 2024

To: Dawn Buckingham, M.D., Chairwoman
James Rothfelder, Member
Judson Scott, Member

From: Ray Minjarez, Deputy Director for Construction Services

Subject: Agenda Item 13 a – Update on construction projects.

RECOMMENDATION: This agenda item requires no action from the Board.

Construction of Tuskegee Airmen Texas State Veterans Home, Fort Worth:

Construction reached milestone phase of Substantial Completion on October 2, 2024. Contractor is finalizing punch list items that were identified as part of substantial completion walk through. Furniture delivery and installation are scheduled month of November 2024. Pending Health and Human Services (HHS) to perform life safety inspection between December 2024 and January 2025. Anticipate opening facility 2nd quarter 2025.

Roof Replacement at Richard A. Anderson Texas State Veterans Home, Houston:

Roof replacement bids were received on Friday October 18, 2024. Pending award of roof replacement contract. Anticipate full roof replacement completion December 2024.

HVAC upgrades at Veteran Homes:

Replacement and upgrades of HVAC system components funded by Coronavirus State Fiscal Recovery Fund are under contract. Improvements enhance ability to protect Veterans from current and future viral and biological threats. These improvements are at each of the Texas State Veterans Homes with varying stages of completion.

Construction of New West Texas Veterans Cemetery:

Construction advances with site and utility work. Vertical construction has started on the Administration building. Main Entrance roadway improvements on R.O.W. (deceleration lane) to be negotiated with TxDOT. Project approximately 36% complete.

Expansion of Corpus Christi Columbarium & Crypts:

Installation of columbaria niches continues with irrigation system repairs and crypt installation. Crypt lids are undergoing additional inspections and replacement due to manufacturer quality assurance / quality control concerns. Project approximately 54% complete.



MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: November 12, 2024

To: Dawn Buckingham, M.D., Chairwoman
James Rothfelder, Member
Judson Scott, Member

From: Elliott Weeks, Director, VLB Marketing & Outreach

Subject: Agenda Item 14 a - Annual Report on Texas Veterans Call Center operations.

RECOMMENDATION: This agenda item requires no action from the Board.

Background:

The VLB operates a statewide call service center in collaboration with the Texas Veterans Commission (TVC) to answer questions about and connect Veterans to all available Veteran benefits and services. Our current call center has five full time employees who answer phones, send and respond to emails, and set appointments for TVC claims. Their mission is to help connect Texas Veterans with their earned benefits that are offered by both the Texas Veterans Land Board and the Texas Veterans Commission.

Prior to 2007, both VLB and TVC had their own separate call centers. In 2007, the Legislature passed House Bill 3140 which consolidated the two Call Centers into one Texas Veterans Call Center. HB 3140 also states that the VLB is required to operate the new Texas Veterans Call Center, and to work with TVC to modify their existing Memorandum of Understanding to specify the guidelines necessary to coordinate Veterans benefit awareness activities.

The TVC and VLB have had a Memorandum of Understanding, or MOU, for the Call Center in place since 2008. The current MOU states that TVC will transfer \$72,053 for the fiscal year 2024 and \$74,214 for the fiscal year 2025. These funds are designated to be used for Call Center employee salaries. Minus the funds provided by the TVC, the VLB paid roughly \$282,317 in fiscal year 2024 and will pay an estimated \$298,049 in fiscal year 2025 in call center employee salaries, benefits, and operational cost.

Summary:

The most common types of calls the Texas Veterans Call Center receives are for loan application status, calls requesting a letter of approval for a land loan, booking an appointment with TVC Claims, checking on the status of a TVC appointment previously made, and requesting information about the educational benefits offered through TVC.

To determine the effectiveness of the Texas Veterans Call Center, we track performance metrics. These performance metrics include the number of incoming calls offered, the number of calls answered, abandoned call rates, TVC related calls, average call handling times, and more.

Comparing our call center’s performance to other centers presents a challenge due to the unique services each call center provides. For example, calls for a computer software customer support center will most likely consist of walking their customers through a series of complex and technical processes. So, their calls would be considered highly complex with a long duration call handle time. A typical call center handles around 4,400 calls per month, with an industry average call handle time of 6 minutes. The abandoned call rate is a metric that tracks calls made after hours, as well as calls not answered during working hours. The average abandoned call rate for the Government and public sector industry is 7.44%.

In fiscal year 2024, our Texas Veterans Call Center handled moderately complex calls, averaging a 6.9% abandoned call rate with an average call handle time of 4 minutes. In fiscal year 2024, The Texas Veterans Call Center handled an average of 5,217 calls per month, of which 1,800 on average were designated as TVC related calls. In total for fiscal year 2024, 62,598 calls were offered, and 49,728 calls were answered. Out of those 49,728 calls answered, 21,481 were designated as TVC related calls. The total calls offered in fiscal year 2024 increased by 32% from FY2023. Furthermore, we experienced a 39% increase in call volume from FY2022 to FY2023. Refer to Figure 1 for a comprehensive breakdown of call center metrics and a year-over-year comparison.

Inbound calls	62,598
Calls answered	49,728
Avg total calls per month	5,217
Avg calls for TVC	1,800
Call abandon rate	6.9%
Average call handle time	4 minutes
% increase in calls FY23 to FY24	32%
% increase in calls FY22 to FY23	39%

Table 1: FY24 Call Center Data

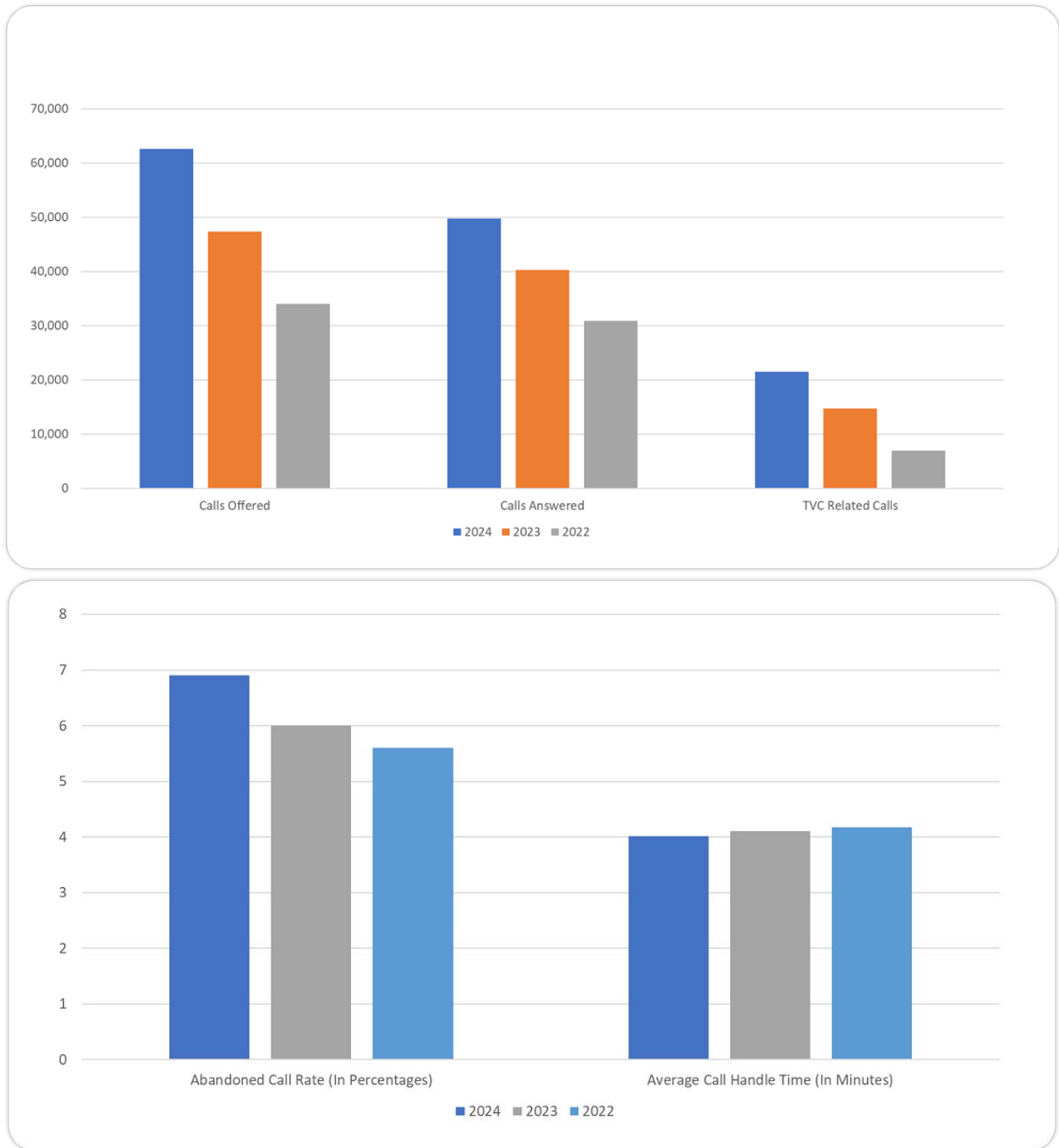
It is important to note that 99% of those calls were managed by a dedicated team of five full-time call center staff members. In the event of a call spike or staffing shortages, VLB Marketing staff members will step in to assist the call center. We are already tracking and anticipating a further increase in call volume for the current fiscal year.

These numbers are how we determine the effectiveness of our Texas Veterans Call Center, but these numbers do not determine the success of our Texas Veterans Call Center. Success is picking up the phone and helping a Veteran navigate the land loan process. Success is picking up the phone and helping a Veteran schedule a claims appointment with the Texas Veterans Commission.

To continue the successful operation of the Texas Veterans Call Center, we must collaborate closely with the Texas Veterans Commission to stay attuned to the call center’s operations, remain in-touch with industry trends, and jointly address issues as they emerge.

Next, I seek to brief the TVC Board on the Texas Veterans Call Center’s Annual Report for fiscal year 2024. In addition to updating TVCs Board, my intent is to engage TVC’s leadership in discussions concerning staffing, contingency plans for high call volumes, and other operational issues, with the goal of enhancing efficiency and maximizing prompt service for our Texas Veterans.

Figure 1: Texas Veterans Call Center Year-Over-Year Comparison





MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: November 12, 2024

To: Dawn Buckingham, M.D., Chairwoman
James Rothfelder, Member
Judson Scott, Member

From: Darren Fitz Gerald, Assistant Executive Secretary

Subject: Agenda Item 15 a - Report on Veterans Land Board Operations.

RECOMMENDATION: This agenda item requires no action from the Board.

Promotions and New Hires

Polly White, Junior Loan Processor in Loans and Housing Division.

Aminat Ashorobi, U.S. Army Veteran, joining us from Fort Cavazos, Accountant V in VLB Accounting.

Troy Turner, U.S. Air Force Veteran, promoted from On-Site Representative at the Watkins-Logan Texas State Veterans Home in Tyler to Program Director supervising all On-Site Representatives.

VLB Room Rates and VA per diem adjustment

During the July 30, 2024, VLB meeting the Board delegated authority to the Executive Secretary to adjust room rates in the Texas State Veterans Homes to match anticipated changes in the VA per diem rates. This is complete. The leadership of the Homes notified the operators on August 31, 2024, with an effective date of October 1, 2024.

Lubbock Cemetery Water Line Easement

During the July 30, 2024, VLB meeting the Board delegated authority to the Executive Secretary to execute an easement with the City of Lubbock to maintain a water line on the West Texas State Veterans Cemetery property. The easement was executed in October 2024.

Upcoming Dates of Importance:

December 12, 2024 – GLO Christmas Party, Austin

January 14, 2024 – 1st day of 89th Texas Legislative Session

February 4, 2025 – Special Called meeting of the Texas Veterans Land Board, Stephen F. Austin Building, 10:00 A.M.

May 13, 2025 – Special Called meeting of the Texas Veterans Land Board, Stephen F. Austin Building, 10:00 A.M.

May 26, 2025 – Memorial Day

June 2, 2025 – Last day of 89th Texas Legislative Session

August 5, 2025 – Special Called meeting of the Texas Veterans Land Board, Stephen F. Austin Building, 10:00 A.M.

October 28, 2025 – Special Called meeting of the Texas Veterans Land Board, Stephen F. Austin Building, 10:00 A.M.

November 7, 2025 – 79th anniversary of the VLB

November 11, 2025 – Veterans Day

February 4, 2026 – Special Called meeting of the Texas Veterans Land Board, Stephen F. Austin Building, 10:00 A.M.

April 28, 2026 – Special Called meeting of the Texas Veterans Land Board, Stephen F. Austin Building, 10:00 A.M.

May 25, 2026 – Memorial Day

July 28, 2026 – Special Called meeting of the Texas Veterans Land Board, Stephen F. Austin Building, 10:00 A.M.

November 7, 2026 – 80th anniversary of the VLB



MEMORANDUM

TEXAS VETERANS LAND BOARD • CHAIRWOMAN DAWN BUCKINGHAM, M.D.

Date: November 12, 2024

To: Dawn Buckingham, M.D., Chairwoman
James Rothfelder, Member
Judson Scott, Member

From: Tony Dale, Executive Secretary

Subject: Agenda Item 15 b - FY 24 Annual Report and FY 25 Operational Plan.

RECOMMENDATION: This agenda item requires no action from the Board.

During Fiscal Year 2024 the senior staff of the VLB created a plan focusing on key initiatives. The attached report titled, "Fiscal Year 2024 Annual Report" details how the VLB executed the plan and highlights additional accomplishments.

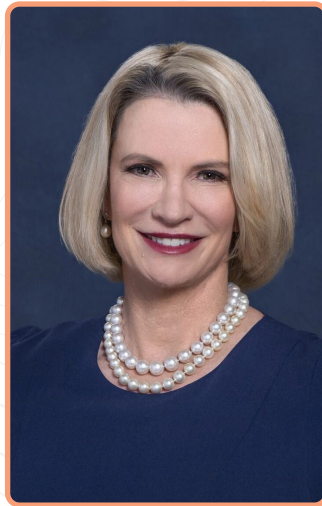
Fiscal Year 2025 started on September 1, 2024, and ends on August 31, 2025. The VLB senior leadership created the attached Fiscal Year 2025 "Operational Plan" that is presented today for your review and information.



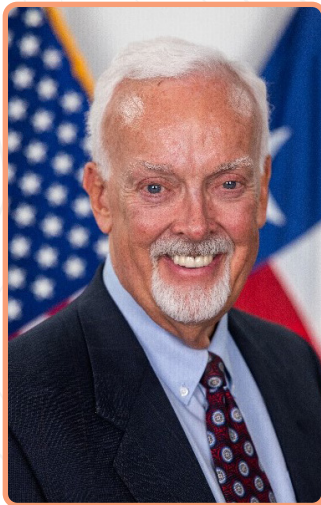
FISCAL YEAR 2024

Annual Report Texas Veterans Land Board

Dawn Buckingham, M.D. Chairwoman
James Rothfelder, Member
Judson Scott, Member



The Honorable Dawn Buckingham, M.D.
Chairwoman



Rear Admiral (Ret.) Jud Scott
Member



Mr. James Rothfelder
Member

Dawn Buckingham, M.D, Commissioner of the Texas General Land Office serves as Chairwoman of the Veterans Land Board and is joined by two governor appointed, senate confirmed, citizen board members. Judson Scott is a retired U.S. Navy Rear Admiral. James Rothfelder is a portfolio manager in the investment banking industry.

SINCE 1946



The Texas Veterans Land Board has provided valuable benefits to Veterans in recognition of their service to the United States of America. While the programs and benefits have evolved over the last seventy-seven years, the core mission has not changed. The veteran remains our purpose.

The mission of the Veterans Land Board is to ensure the Veterans of Texas can access land loans, home loans, skilled nursing care and the cemetery services they are eligible for in recognition of their honorable service to our country.



TO THE CHAIRWOMAN AND MEMBERS OF THE TEXAS VETERANS LAND BOARD:

Since 1946, the Texas Veterans Land Board (VLB) has proudly provided valuable benefits to Veterans in recognition of their service to the United States of America. While our benefits have evolved over the last 78 years, the core of what we do remains unchanged. The Veteran remains our purpose.

The attached report is a comprehensive look back at the accomplishments of fiscal year 2024. It not only details how successful our team was in achieving our strategic goals but also highlights other key achievements. This year has been marked by significant progress and outstanding performance across all areas of our operations.

I am incredibly proud of the VLB staff for their dedication and hard work. Their commitment to continuous improvement and excellence has been instrumental in our success. We have consistently kept our Veterans and Texas taxpayers in mind, ensuring that we internalize our mission and live by our values of caring for Texas Veterans, providing superior customer service, ensuring fiscal responsibility, being transparent in our work, and fostering a positive work environment.

Together, our efforts enable Veterans to realize their dream of purchasing a home, owning a piece of Texas through land ownership, helping Veterans receive compassionate and quality care in our skilled nursing homes, and to receive the honor of dignified burial services in their final resting place.

On behalf of the senior leadership of the VLB, I extend thanks to all VLB team members for a very successful year. Their hard work and dedication have made a significant impact, and we look forward to continuing this mission together.

From the Revolutionary War to present day, more than 41 million men and women have served in the defense of the United States of America. Texas is home to approximately 1.6 million living Veterans. Each one of them raised their right hand and swore an oath to protect our country and our Constitution. Our ability to serve them in return is a privilege. On behalf of the staff of the VLB, we thank you for your leadership and commitment to our Texas Veterans.

For Texas Veterans,

A handwritten signature in black ink, appearing to read "Anthony W. Dale".

Tony Dale
Executive Secretary
U.S. Army Veteran

VETERANS LAND AND HOUSING



The Veterans Land and Housing division receives, processes, originates, and closes land, housing, and home improvement loan applications. The Veterans Land Loan program gives Veterans the opportunity to borrow up to \$150,000 to purchase land at competitive interest rates with a 30-year fixed term. Sometimes the Veterans Land Board (VLB) must forfeit on delinquent land loans. The VLB then makes these tracts of land available initially to Texas veterans and later the public, to purchase in Quarterly Land Sales.

Veterans Housing Assistance Program (VHAP) aids Veterans in purchasing a home. Eligible Texas Veterans have an opportunity to purchase a home with a competitive, low-interest loan with little or no down-payment. Veterans with a U.S. Department of Veterans Affairs (VA) service-connected disability (SCD) rating of 30% or greater qualify for a discounted interest rate.

Veterans Home Improvement Program provides loans to qualified Veterans for home repairs and improvement to their existing homes.

Objective 1

Evaluate and recommend policies or legislative proposals to enhance benefits for Veterans.

Tactics: Collaborate with VLB Bond Funds Management to analyze fiscal impact if the program allows dual Veteran spouses, eliminates and/or reduce upfront fees and increases maximum loan amounts.

Deliverable: Update Program Rules to meet current demand on loan programs.

RESULT: Recommended policy to the Board to allow Dual Spouse participation in the land loan program. Board approved the recommendation, allowing two married Veterans to combine their benefits to purchase a single tract of land up to a maximum value of \$225,000.

Objective 2

Conduct process improvement review.

Tactics: Review current land and home improvement processes and research the use of electronic signatures for loan closings.

Deliverable: Update processes to streamline loan programs and reduce processing delays.

RESULT: Updated policy for access driveway on highway right of way. Veteran must obtain approval to build a driveway from Texas Department of Transportation (TXDOT), but no longer will it be required to install driveway prior to closing.

Achieved electronic signature eligibility for initial disclosure documents for both Land & Home Improvement.

Objective 3

Improve contract management tracking and execution.

Tactics: Collaborate with Contract Management Team to manage current contracts more effectively with third-party vendors.

Deliverable: Ensure staff is familiar with agency guidelines to effectively manage all third-party vendor contracts.

RESULT: Land and Housing staff have become Certified Texas Contract Developers and have completed the Basic Texas Purchaser Course. Monthly meetings now occur with Contract Management Staff and the Office of General Counsel (OGC), improving communication and tracking of contracts.

OTHER ACCOMPLISHMENTS

- Achieved fiscal targets in the loan department and in the homes.
- Responded to and professionally managed a major cyberattack that severely impacted the VLB's primary loan servicer, Mr. Cooper.
- Completed FY24 with \$100M in land loans, the highest total since inception of the agency.

TEXAS STATE VETERANS HOMES



The Veterans Land Board (VLB) owns nine skilled nursing homes that furnish shelter, food, medical attention, nursing services, medical services, social activities, and other personal services or attention to Veterans, their spouses and Gold Star parents. As of 2023, the existing Veterans homes are in Amarillo, Big Spring, Bonham, El Paso, Floresville, McAllen, Temple, Tyler, and Houston. A tenth home is scheduled to open in calendar year 2025 in Fort Worth.

The VLB contracts with private nursing home companies for day-to-day operations and maintenance of the homes. Each facility is designed to enhance quality of life with a clean, caring, and dignified setting appropriate to those men and women who have served our country with honor.

The program is in partnership with the U.S. Department of Veterans Affairs (VA) which provides partial funding for construction, expansion, and health care benefits. Residents can combine private insurance, VA and Medicare or Medicaid to cover daily costs. Eligible Veterans with a Service-Connected Disability (SCD) of 70% or greater may stay at the homes at no cost to the Veteran. Residents can choose between a private or semi-private room based upon availability. Memory care units at each home provide highly specialized care including access to secure landscaped courtyards.

Objective 1

Open the Fort Worth home to residents in Q2 of FY24 and gain Health and Human Services (HHSC) approval to exceed 20 residents in Fort Worth by Q3 FY24.

Tactics: Work with VLB Bond Funds Management and marketing to ensure we have a plan in place to fill the home and are charging the correct price. Set census goals by quarter.

Deliverable: Home will be 90% full by Q2 of FY25.

RESULT: Objective not met due to construction delays. Substantial Completion of the home from the contractors occurred on October 2, 2024. The target date for the first resident to occupy the home is the first quarter of calendar year 2025.

Texas State Veterans Homes

Objective 2

Improve resident care.

Tactics: Lower use of anti-psychotic drugs. Programmatically focus on reducing behavioral issues. Implement fall reduction strategies.

Deliverable: Reduction in anti-psychotics should decrease behavioral issues and reduce fall risk.

RESULT: Partially met. One operator, Touchstone Communities, has lowered their anti-psychotic drug usage in all 4 of their homes by an average of 5% total. This was accomplished from the corporate level, with Touchstone's Dr. Avery working directly with the Medical Directors and Directors of Nursing at the homes. The other operator, HMR-VSI, has maintained the same usage (+/- 1%) within their homes. All 9 homes working with the VA CONCERT (Community Living Center Ongoing National Center for Enhancing Resources and Training) for fall reduction.

Objective 3

Improve reporting and follow-up on outstanding issues.

Tactics: Operationalize Findings Tracker. Create and implement a comprehensive complaint tracking system.

Deliverable: Findings tracker will be implemented by end of Q1 FY24. Complaint tracker system will be implemented by Q1 FY24.

RESULT: Not met. This objective (Complaint Tracker) was reassigned to Veterans Affairs and will be part of the FY25 Strategic Plan.

Objective 4

Increase daily overall census to above 95%.

Tactics: Work with operators and VLB Marketing to increase census.

Deliverable: Increase Big Spring's census to 80% or higher by end of FY24, Bonham census to 90% or higher by end of FY24.

RESULT: Monthly census is currently at 97%. In particular, Big Spring reached 90% census in May 2024, meeting both its FY24 and FY25 goals.

Objective 5

Improve collaboration with operators.

Tactics: Mature Operational Excellence Groups. Upgrade metrics for operations and nursing. Initiate a scoring system.

Deliverable: Continue calls, continue collaboration with operators. Scoring system will be completed by Q1 FY24.

RESULT: Scoring system for Physician Assistant (PA) and Nurse visits established, collaboration calls initiated, and communication between the operators and VLB has improved.

OTHER ACCOMPLISHMENTS

- Improved collaboration with operators in the homes.
- Initiated strategic planning for long-term capital improvement projects at aging State Veterans Homes.
- Successfully executed procurement process and contract negotiations to replace the operator of the Amarillo home prior to the end of the fiscal year without extensions or delays.
- Texas Veterans Commission (TVC) partnered with all Texas State Veterans Homes to validate all Veterans benefits and assist in applications for increase Service-Connected Disability (SCD) benefits.
- Texas Veterans Commission mental health department partnered with all Texas State Veterans Homes to train staff on caring for Veterans with PTS, Dementia, and other mental disabilities.
- The American Veterans Traveling Tribute--Traveling Vietnam Wall and Cost of Freedom Tribute--Visited every Texas State Veterans Home, recognizing the Korean War Veterans, Vietnam Veterans, 9/11, First Responders and others who've made the ultimate sacrifice in the name of freedom.
- "Age-u-Cate" Dementia Center will provide two of our On-Site Representatives (OSRs) hands-on training on caring for residents with dementia. This is top quality training teaching caregivers how to approach, provide care, and intervene to prevent stress reactions for people living with dementia.
- Five of the nine homes received new, larger beds for all residents, greatly increasing their comfort.
- Conducted a hurricane response and evacuation exercise with key stakeholders at the Houston home in preparation for hurricane season.
- Opened the closed wing in Big Spring for the first time since 2013. Achieved 90% census on May 30, 2024, for the first time since June 28, 2012. In August 2023 the census was 111 residents. In August 2024 the census is 143 residents.

TEXAS STATE VETERANS CEMETERIES



The mission of the Texas State Veterans Cemeteries (TSVC) is to serve eligible Veterans and their families by providing high quality support for committal services and perpetual care of the grounds and facilities for all who served our nation with distinction.

The Veterans Land Board (VLB) operates four Veterans cemeteries in Abilene, Corpus Christi, Killeen and Mission. A fifth cemetery is in the initial stages of development in Lubbock. The cemetery division is a partnership between the VLB and the U.S. Department of Veterans Affairs (VA). The state cemeteries are strategically located to complement the five national cemeteries in San Antonio (2), Houston, Dallas-Fort Worth, and El Paso. At each cemetery, VLB interests are monitored by an On-Site Representative (OSR) who is an employee of the agency. Daily operations and maintenance are conducted via contracts with a combination of private vendors and county or municipal governments.

The state provides this benefit to Veterans in recognition of their service to this state and the United States and to honor Veterans with a final resting place and with lasting memorials that commemorate their service.

Objective 1

Successfully implement the Lubbock establishment grant (TX-22-34).

Tactics: Develop and manage monthly reports across constructing, equipping, staffing, and training work strands to identify and correct coordination and planning issues. Periodic on-site visits. OSR monitors closely.

Deliverable: Meet all project timelines, no cost overruns.

RESULT: Ground-breaking for Lubbock TSVC occurred 17 NOV 2023. Division director has maintained monthly status reporting cycle and visited the site six times. Construction is on schedule and on budget.

Objective 2

Successfully implement Corpus Christi expansion grant (TX-22-33).

Tactics: Develop and manage monthly reports of construction progress and operational impacts. Periodic on-site visits. OSR monitors closely.

Deliverable: Meet all project timelines, no cost overruns.

RESULT: Groundbreaking occurred 22 SEP 2023. Division director maintained bi-weekly construction progress updates and visited construction site five times. Construction is on schedule and on budget.

Objective 3

Successfully implement Killeen expansion grant (TX-23-35).

Tactics: Develop and manage monthly reports of construction progress and operational impacts once National Cemetery Administration (NCA) grant is awarded.

Deliverable: Meet all project timelines, no cost overruns.

RESULT: Grant request submitted for \$12.7M. Awaiting funding from National Cemetery Administration on or about 01 OCT 2024.

Objective 4

Explore and operationalize innovative technology with an eye toward reducing expenses and/or increasing efficiency.

Tactics: Robotics, artificial intelligence, use of business strategy team in Financial Management, lessons learned from other projects, other state programs, national cemeteries, and the National Cemetery Administration (NCA).

Deliverable: Demonstrable increases in efficiency and effectiveness.

RESULT:

- Chat GPT experimentation. No identifiable efficiencies found, and the project is temporarily abandoned to be re-examined in future.
- Robotic mowers. 3 robotic mowers were demonstrated to see if they could be used to cut grass in non-plot areas. None had the cutting power to meet our needs. Efficiency that could potentially be realized is saving an entire person-week by not having an employee mowing these areas. Experimentation/demonstrations continue.
- Grok Conversational AI. Grok was experimented with to determine if it could lend efficiencies to current business systems. No identifiable efficiencies found, and the project is temporarily abandoned to be re-examined in future.
- Houston and Fort Sam Houston National Cemetery visits. Visits centered around best practice and lessons learned exchange. TSVCs gathered advice on Bermuda grass survival in hot weather, Bermuda grass dormancy and re-seeding, headstone alignment/realignment, Medal of Honor interments, and irrigation.
- VA Plot Allowance streamline with Financial Management. Processes aligned between plot allowance reporting and payments received from the VA.
- Headstone Raise & Realign system. Experimentation developed into a low-cost system installed on a Mule utility vehicle that replaces a 3-person crew with a 1-person crew to conduct headstone “Raise and Realign” operations.
- Fertigation. Experimentation underway to determine if using the irrigation system to provide liquid fertilizer is more efficient and affordable as opposed to manual casting granules.
- Inspection Standards. Previous standards were generated by extracting a 31-item inspection list from the larger set of 94 NCA standards. New system uses the full 94 standards over a set of 4 quarterly inspections to provide a full, NCA inspection over the course of a year.

Objective 5

Implement local support contracts in Killeen and Abilene.

Tactics: Monitor contracts monthly and conduct quarterly quality assessments using OSR inspections and personal visits.

Deliverable: 100% municipal or county local support contracts in effect by end of FY24.

RESULT: Objective complete. Local contracts executed with Abilene on 01 OCT 2023 and with Killeen on 05 FEB 2024.

OTHER ACCOMPLISHMENTS

- Received the Operational Excellence Award from the National Cemetery Administration for the Central Texas State Veterans Cemetery in Killeen.
- Successfully acquired 115 acres in the form of a donation to expand the Texas State Veterans Cemetery at Abilene.
- Hired an OSR in Lubbock in advance of opening and signed up over 700 pre-registrants for the Lubbock cemetery.
- Organized and executed a Texas State Cemetery Committee meeting at which the Lubbock Cemetery was approved. The committee also adopted statutorily required guidelines for the first time in its existence.

VLB BOND FUNDS MANAGEMENT



The Veterans Land Board (VLB) Bond Funds Management (BFM) team plans, executes, and manages the overall financial management strategy for VLB to maximize economic benefit and provide funding for VLB Programs in a manner that ensures the continued economic viability of the programs in the future. They oversee all aspects of VLB bond fund, swap, and liquidity portfolios, including analysis of refunding opportunities and determination of method of execution (i.e., loan sale, refunding, or other). They maintain relationships with existing professionals and providers, and work to expand the universe of eligible providers for VLB activities, approved swap counterparties and liquidity providers. The team plans, executes, and manages all areas of new VLB bond issuance and derivative (i.e., interest rate swap) transactions, including structuring, scheduling, cash flow analysis, document review, negotiation and execution of liquidity facilities, interaction with external bond counsel and financial advisors, and presentations to the VLB board, the Texas Bond Review Board, and national credit rating agencies.

The Board may provide by resolution for the issuance and sale of bonds authorized by the constitution for the purpose of making loans to Veterans. The Board may use money attributable to bonds issued to provide money to pay all costs of issuance of the bonds, including costs, fees, and expenses of the board to pay from the Veterans' land fund in connection with the issuance of the Veterans' land bonds.

Objective 1

Complete Bond Portfolio Review.

Tactics: Review and assess the current bond portfolio with outside consultants including bond counsel, tax counsel, financial advisor, and arbitrage rebate consultants.

Deliverable: Recommendation on actions to current bond portfolio and future bond structures.

RESULT: This objective is complete. There are several actions that have been identified and have been, or are in process of being implemented, including refunding low-interest rate tax-exempt debt and redeeming certain bonds. Bond Funds Management is continuing to work with its financial advisor and counsel exploring additional bond structures.

Objective 2

Establish regular financial reporting for each home and fund and mature the budget and financial forecasting process to improve long-term financial planning.

Tactics: Review historical reports and incorporate/expand existing financial reports to fit current needs and future planning.

Deliverable: Create quarterly reports on each home and bond fund activity that project multiple scenarios based on historical activity as well as best/worst case.

RESULT: This objective is partially complete. Each month a summary of cash activity for all VLB programs has been created and are provided to senior VLB staff. The integration of modeling to create future forecasts is still in development.

Objective 3

Reduce the federal yield restriction liability on the VLB.

Tactics: Review current program status and legal options related to yield restriction liability with outside consultants. (Yield restriction liability occurs when tax-exempt bond proceeds are invested at a higher rate than IRS Code allows).

Deliverable: Recommendation on actions to address the potential yield restriction liability related to tax-exempt bonds.

RESULT: This objective is partially complete as Bond Funds Management did a taxable refunding to free a portion of two existing tax-exempt bonds from yield restriction. Each bond issue subject to yield restriction liability is unique and may require one or more different approaches. As most of these issues were relatively recent and the yield restriction is not due and finalized until the bonds are retired (typically 30 years after issuance) this will be a multi-year process. Future actions may include selling loans, transferring loans, or additional bond refunding.

Objective 4

Maximize benefits to Veterans.

Tactics: Explore options to increase loan production and pass along cost benefits.

Deliverable: Assessment and recommendation of fiscal strengths and weaknesses to guide future decisions.

RESULT: Bond Funds Management is continuing to explore options to increase loan production both in the housing and land loan programs. As the program reaches the maximum amount of tax-exempt bond issuance available, new strategies will need to be explored to make those increases while continuing to provide low interest rate loans. On the Veterans Homes Division, the revenues will allow for renovations at older homes to make significant improvements and upgrades to improve the Veterans comfort.

OTHER ACCOMPLISHMENTS

- Started a monthly meeting between VLB Bond Funds Management and Financial Management to ensure proper coordination and to resolve issues quickly.
- Conducted a full bond portfolio review and improved collaboration with outside bond legal counsel and external financial advisors.
- Maintained AAA bond rating for VLB Bonds.
- Obtained Board approval to pay off two bond series early resulting in savings of about \$3,000,000 in future interest payments.

VETERANS AFFAIRS



Veterans Affairs had not yet been established as a division when the FY 24 Strategic Plan was written and thus did not have a set of formally written Objectives, Tactics, and Deliverables.

OTHER ACCOMPLISHMENTS

- Established an Memorandum of Understanding with the Texas Military Department (TMD) for burial benefits for Texas Military Forces Members killed while serving on State Active Duty.
- Assumed control of VLB Accounting from Financial Management.
- Moved all Operator Assistance Requests and Operator Reimbursement Requests from the Veteran Homes and Veteran Cemeteries to VLB Accounting to ensure compliance with Prompt Payment Act.
- Resolved a 2-year long pharmacy chargeback dispute with a Texas State Veterans Home (TSVH) operator. In the process, identified and fixed an internal VLB policy conflict with the Code of Federal Regulations, resulting in increased drug and medicine benefits for our Veterans.
- Audited a total of 116,357 pharmacy transactions for billing accuracy to ensure that the Operators are compliant with the contract.
- Detected and corrected errors in the pharmacy audit process, leading to a reduction in audit duration from 21-25 days to 18 days.
- Developed additional tracking processes such as non-veteran credits to assist in reducing pharmacy costs.
- Developed and conducted price audits to ensure Omnicare pharmacy compliance with the contract, and VLB compliance with State Auditor's Office (SAO), and to prevent fraud and losses that may occur to the residents, VLB, and Operators.
- Developed a tracking process for the 70% Service-Connected Disability (SCD) census to assist the VLB Marketing team in increasing the number of 70% SCD residents as well as revenue.

VLB MARKETING & OUTREACH



Veterans Land Board Marketing & Outreach is embedded in the Communications Department of the General Land Office (GLO). The Director of VLB Marketing & Outreach supervises VLB Marketing, the Texas Veteran's Call Center, and a team of Veterans Outreach Specialists. The team's priority is to ensure Veterans are aware of and know how to access the benefits they have earned. The VLB Marketing & Outreach team has a formal memorandum of understanding with the Texas Veterans Commission (TVC). The VLB and Texas Veterans Commission collaborate in funding and operating a call center that connects Veterans with services. They also conduct joint marketing efforts across Texas.

Objective 1

Create and execute written strategic plan for the Texas State Veterans Home in Big Spring.

Tactics: Targeted marketing plan, collaboration with operators marketing teams, utilization of VLB and operator staff for local outreach.

Deliverable: Big Spring Census to 80% or higher by end of FY24.

RESULT: Accomplished by May. Currently above 90% on a consistent basis.

Objective 2

Create and execute written strategic plan for the Texas State Veterans Home (TSVH) in Fort Worth.

Tactics: Collaborate with the TSVH division, operators marketing teams, and outside media contractors to develop a fluid plan to meet increasing target numbers.

Deliverable: Meet or exceed quarterly resident census targets developed by the Director of Texas State Veterans Homes.

RESULT: Partially complete. Moved to FY 25 due to construction delays at the home. Worked with Outreach and TSVH staff to increase waitlist numbers and maintain email contact with Veterans on the waitlist. Created a webpage and Facebook page for the home. Sent out press releases and marketing emails promoting the home. Attended outreach events in the area, planned and carried out P-51 unveiling with GLO Communications.

Objective 3

Increase efforts to promote the 70% Service-Connected Disability (SCD) benefit.

Tactics: Multifaceted marketing campaign, in addition to coordinating with Texas Veterans Commission (TVC) and the homes' On-Site Representative (OSRs) to have claims adjusters at the homes on a regular basis.

Deliverable: 25% increase in residents with 70% (SCD) by end of FY24.

RESULT: Partially complete. Increased 70% SCD population by 14% in FY24. Will continue to pursue this objective in FY25.

Objective 4

Reestablish Texas Real Estate Commission (TREC) approved training on VLB loan programs.

Tactics: Collaborate with TREC, VLB Loans, and VLB Legal to become licensed and offer an approved continuing education course for Texas REALTORS.

Deliverable: Develop an approved education course for Texas REALTORS by end of FY24.

RESULT: Objective accomplished 12 JUN 2024. Presented first course on July 22 and conducted a total of 5 courses by the end of FY24.

OTHER ACCOMPLISHMENTS

Outreach

- Attended over 550 events statewide.
- Visited 17 Border Patrol & Customs stations.
- 4,100 new contacts added into Salesforce.
- Conducted 21 “Zoom at Noon” online educational classes.

New Initiatives and Partnerships

- Revitalized a partnership with TVC to plan and host quarterly Veterans Benefits Fairs in underserved areas. Co-Hosted benefits fairs in San Angelo & Tyler.
- On February 26, 2024, the VLB announced a partnership with the Texas Veterans Network (TVN), powered by Combined Arms. TVN is a statewide collaborative of Veteran-serving, community-based organizations, government agencies and national service providers that have come together to utilize Combined Arms’ innovative technology to improve the quality of life for Texas Veterans, Service Members, and their families.
- VLB started the Continued Service initiative with the goal of highlighting members of the Texas Legislature who are Veterans of the Armed Forces. Through detailed interviews, the GLO and VLB are helping Veterans share the incredible stories of their military careers, how the Texas Legislature is working to support our Veterans, advice for fellow Veterans, and much more. Featured 5 members of the Texas Legislature in FY24.
- Began sending out Bi-Monthly Vacancy Reports of all 9 active Texas State Veterans Homes to referring partners in the Healthcare and Veteran service industries. The current email distribution list has over 500 referring partners.

Voices of Veterans Interviews

- Conducted 32 Voices of Veterans Interviews.
- Featured Weekly Voices of Veterans--campaign to feature new and old Voices of Veteran interviews throughout all VLB media outlets.

Call Center

- Total Calls Received: 62,598 (+32% FY23)
- Total Emails Received: 11,464 (+25% FY23)
- 12,615 New Contacts in Salesforce

LEGAL COUNSEL



Objective 1

Mature contract management process.

Tactics: Inventory and visibility of all VLB contracts. Proactive management of renewals.

Deliverable: Executive management visibility on 100% of VLB contracts. 100% on time execution of new contracts and renewals. Awareness of auto renewal contracts and no auto renewals without deliberate executive decision making.

RESULT: Monthly review of all current and expiring contracts with contract management initiated. All division area directors actively involved in monitoring and managing existing contracts and assigned project managers. VLB legal representative proactively coordinating with Project Managers (PMs) and contract management throughout contract development/renewal process.

Objective 2

If approved by the Board, complete rule making for eligibility for Texas Military Forces killed in the line of duty to be buried in Texas State Veteran Cemeteries.

Tactics: Draft rules within bounds of the Bishop Evans Act (HB 90), establishing benefits for Texas Military Forces on state active duty, state training and other duty.

Deliverable: Rule which legally facilitates burial benefits as enacted and envisioned by HB 90.

RESULT: Board unanimously voted to approve proposed amendments to 40 TAC 178.5 regarding Texas State Veterans Cemetery (TSVC) burial eligibility for Texas Military Forces killed in the line of duty. Proposed amendment filed with the Office of the Secretary of State on 02 JUL 2024. Final status pending.

Objective 3

Comprehensive rule review.

Tactics: Review all existing rules to ensure they are current and necessary. Identify outdated rules that can be repealed. Identify rules that can be combined or reduced in complexity. Review Texas statute to ensure that all rules that VLB is required to adopt are in fact adopted. Ensure compliance with statute and rulemaking.

Deliverable: Set of updated, thorough, yet streamlined VLB rules.

RESULT: Partially complete. Board voted unanimously to commence a review of its rules pursuant to Section 2001.039 of the Texas Government Code through publication in the Texas Register. Rule review will commence during FY 25.

GOVERNMENTAL RELATIONS



The Governmental and Intergovernmental Relations team has an individual dedicated to the Veterans Land Board (VLB). They act as the primary interface between the agency and the Legislature, other state agencies, the federal government, and local and regional governmental bodies.

The team assists the Chairwoman with the legislative issues to include, drafting of the agency strategy plan that is submitted to the Legislative Budget Board, preparation of testimony for legislative and regulatory hearings, interface with legislative members and staff, tracking of state and federal legislation of interest to the agency.

Objective 1

Schedule Member and legislative staff visits to all Veteran homes and cemeteries.

Tactics: Identify Members with locations in their respective districts. Work with Government Affairs to extend invitations and schedule visits.

Deliverable: 100% of cemeteries and homes visited by Members and/or legislative staff by end of FY24.

RESULT: Partially complete. 53% visited. Rep. Darby visited Big Spring Texas State Veterans Home (TSVH). Rep. Collier and Congressman Veasey toured Fort Worth TSVH. Sen. Hancock visited Houston TSVH. Sen. Perry, Rep. Tepper, Judge Parrish visited Lubbock Texas State Veterans Cemetery (TSVC). State, Local, and Congressional Staffers attended events at Corpus Christi, Killeen, and Mission TSVCs. Congresswoman De La Cruz scheduled to visit Floresville TSVH in SEP 2024.

Objective 2

Engage VLB executive leadership in revision and drafting of agency strategic plan prior to submission to the Legislative Budget Board (LBB).

Tactics: Volunteer to review and revise LBB strategic plan. Evaluate LBB metrics. Make recommendations for consideration.

Deliverable: Active participation under the leadership of the project lead.

RESULT: Executive Secretary updated VLB portion of the LBB Strategic Plan and edited GLO Strategic Plan at the request of the Commissioner.

Objective 3

Solicit input from VLB staff on legislative proposals in preparation for the 89th legislative session in 2025.

Tactics: Develop list of potential recommendations, rank by priority, prepare briefing documents as appropriate.

Deliverable: Detailed, written submission of prioritized legislative and budgetary recommendations submitted by the deadline established by the project lead.

RESULT: Partially complete. Preparation for 89th legislative session ongoing. Discussion with Governmental Relations occurred 14 OCT 2024.

Objective 4

Engage VLB executive leadership in response to interim studies as appropriate.

Tactics: Collaborate with Governmental Relations to be cognizant of potential requests for witness testimony. Prepare documentations as necessary. Preparation of staff to serve as potential witnesses.

Deliverable: Timely and accurate submission of documentation as directed. Professional testimony and follow-up if called upon.

RESULT: Objective complete. Documentation submitted as required. Testimony not required.

Objective 5

Conduct legislative staff briefing on land, home loan and home improvement loan program.

Tactics: Coordinate with Governmental Relations to identify proper dates, times, invitees, and locations. Prepare audience appropriate presentation.

Deliverable: Execution of presentation as directed by Governmental Relations.

RESULT: Objective complete. Executive Secretary briefed Members' Chiefs of Staff on 14 AUG 2024. Also briefed Texas Military Preparedness Commission on 16 SEP 2024. Governmental Relations has scheduled VLB overview briefs for newly elected legislators and staff in FY25.

EXECUTIVE LEADERSHIP



The Board of Directors delegates to the Executive Secretary general powers and duties to of the Board. The day-to-day Executive Management team is responsible for executing the strategies and operations of the VLB, with four key responsibilities.

Strategy implementation: Develops and implements the strategic plans and initiatives outlined by the Board, aligning resources, and guiding the VLB towards its goals.

Operational leadership: Manages the daily operations, makes operational decisions, and oversees functional areas to ensure efficiency, productivity, and profitability.

Team management: Recruits, develops, and leads the talented individuals who form the backbone of the VLB, ensuring a motivated workforce and fostering a positive culture.

Financial management: Manages the financial resources of the VLB, including budgeting, financial planning, reporting, and ensuring effective use of funds to achieve objectives.

Stakeholder communication: Maintains transparent and effective communication with stakeholders, including employees, customers, investors, and regulatory bodies, representing the VLB's interests and upholding its reputation.

Objective 1

Enhance teamwork and esprit de corps.

Tactics: Plan and execute quarterly all hands meetings.

Deliverable: Four quarterly meetings focused on information sharing, professional development, and recognition of team accomplishments.

RESULT: Partially completed. Executed one all-hands meeting in FY24. Improved morale by recognizing new hires and promotions at board meetings. Improved morale through Board recognition of and photographs with the VLB teams during Board meetings.

Objective 2

Keep Board Members informed.

Tactics: Meet with Board members prior to each board meeting. Provide bi-weekly briefings to the Chair. Provide a monthly executive summary of VLB activities. Engage Board members in community and agency events.

Deliverable: Bi-weekly Chair Update Brief provide to Chair. Monthly executive summary developed and provided to Board Members. Successful pre-board meeting meetings with Board Members. Invitations to Board members to VLB related events.

RESULT: Kept Board members informed of events, board agenda items and key decisions. Executed bi-weekly updated brief to the Chair, eventually changed to monthly at the Chair's discretion. Conducted successful pre-board meetings with all Board members, ensuring smoothly running board meetings. Invited Board members to VLB events: On Memorial Day, in what may be a first, all three Board members attended separate events across the state and represented the VLB.

Objective 3

Improve visibility of financial management

Tactics: Move VLB Accounting from Financial Management to VLB

Deliverable: Onboarding of Assistant Executive Secretary in Q1 FY24. Transfer of VLB Accounting Team from Financial Management no later than Q2 FY24.

RESULT: Objective complete. Onboarded Assistant Executive Secretary in OCT 2023. Folded VLB Accounting into the core VLB team in DEC 2023. Created monthly financial reporting that allows for informed decision making. Engaged division directors in monthly financial updates.

Objective 4

Improve business continuity and reduce risk.

Tactics: Succession Planning. Emergency operations planning. Conduct exercises. Business Impact Analysis. Selection and training of Assistant Executive Secretary.

Deliverable: On boarding and training of Assistant Executive Secretary. Formal succession planning with division directors. Enhanced, written emergency action plans. Completion of initial business impact analysis for loan division, cemetery division, housing division and Bond Funds Management.

RESULT: Recruited Darren Fitz Gerald as Assistant Executive Secretary. This statutorily required position was vacant for 15 years. Promoted Bobby Breeden, a licensed nursing home administrator, to lead the State Veterans Homes department. Demonstrated business continuity capabilities and preparedness by responding well to Hurricane Beryl during the July 4th holiday period when many key leaders were unavailable. Identified and trained a backup pharmacy auditor to ensure continuity of audit processes. Executed contract and procurement training for select staff members. Conducted professional writing training for the VLB management team and other GLO invitees.

OTHER ACCOMPLISHMENTS

- Kept Board members informed of events, board agenda items and key decisions.
- Successfully executed five Board meetings in FY24.
- Improved transparency by posting minutes, packets, and videos of past board meetings on the internet in an organized fashion.
- Obtained Board approval to conduct the legally required comprehensive rule review.
- Obtained Board approval to offer a \$225,000 loan limit and single loan application for dual Veteran spouses.
- Obtained Board approval to ensure state military forces killed on state active duty are eligible for burial benefits in State Texas Veterans Cemeteries.
- Obtained Board approval to fix the issues on the Houston roof. Made the decision to conduct a repair separate from the original contractor's efforts. Procurement is underway.
- Improved relations with the Texas Veterans Commission. Attended their board meetings.

Executive Leadership

BOARD OPERATIONS AND GOVERNANCE



The three-member Board of the VLB is responsible for the strategic leadership of the Veterans Land division, the Veterans Housing Assistance program, the Veterans Home Improvement program, the Texas State Veterans Homes program, the Texas State Veterans Cemetery division and VLB Bond Funds Management.

Board meetings are held on a quarterly basis. Special meetings are called as necessary.

Per the statute, Board members perform the following duties: Authorize and execute negotiable bonds; set loan interest rates as provided by law; conduct investigations deemed necessary; create resolutions for the use of the Veterans Land Fund that will fulfill the intent of the Constitution and the law, approve forfeiture of contracts of sale and resale of forfeited land, review internal audit plans that relate to Board functions and discuss and approve the audit plans during public Board meetings.

Objective 1

Adopt statutorily required board policies.

Tactics: Draft policies, staff memos with Legal and leadership, obtain feedback from Board.

Deliverable: Uniformly formatted, adopted policies that comply with state law.

RESULT: Drafted, uniformly formatted, and adopted the six statutorily required board policies related to the authority and responsibility of the Board; ethics; communication with the Board and complaint handling; use of technology; and negotiated rulemaking and alternative dispute resolution.

Objective 2

Revise new board member orientation.

Tactics: Meet the requirements of state law, staff a proposal.

Deliverable: Written policy and procedure and prepared staff for future onboarding.

RESULT: Staff reviewed and amended the existing training to ensure it was more concise, relevant and up to date.

Objective 3

Create a written board meeting planning standard operating procedure.

Tactics: Planning and staffing of proposals, gathering information on all aspects of planning and execution.

Deliverable: Comprehensive, written standard operating procedure informing all VLB staff of their roles and responsibilities of planning, execution, and follow-up for Board meetings.

RESULT: Created a deliberate board meeting planning cycle, developed a planning and execution checklist, and held after action reviews following each meeting to improve results.

Objective 4

Prepare Rob Miri to serve as board secretary for planning and executing board meetings.

Tactics: Cross training for Mr. Miri and obtaining access to Secretary of State web portals.

Deliverable: Board vote to appoint Rob as board secretary.

RESULT: The Board voted to appoint Rob Miri as Board Secretary and Rob now routinely accesses the Secretary of State web portal to post the Board meeting agendas in the Texas Register.

SENIOR STAFF



Tony Dale
Executive Secretary
US Army Veteran



Morris Karam
Legal Counsel



Robert Miri
Board Secretary
US Army & US Navy Veteran



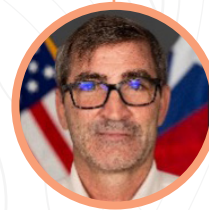
John Barton
Director of Veterans
Land Board Bond Funds
Management



Darren Fitz Gerald
Director of Veterans
Affairs
US Army Veteran



Raul Gonzales
Director of Veterans Land
and Housing



Bobby Breeden
Director of Texas State
Veterans Homes
US Army Veteran



Dr. John Kelley
Director of Texas State
Veterans Cemeteries
US Army Veteran



OPERATIONAL PLAN
Fiscal Year 2025
October 15, 2024





THE MEN AND WOMEN IN OUR ARMED SERVICES ARE OUR FINAL PROTECTION AGAINST THOSE WHO WISH US ILL. THE SOLDIER, THE SAILOR, THE AIRMAN, AND THE MARINE IN THE UNITED STATES AND AROUND THE WORLD ARE THE ULTIMATE GUARDIANS OF OUR FREEDOM TO SAY WHAT WE THINK, GO WHERE WE WILL, CHOOSE WHO WE WANT FOR OUR LEADERS, AND PRAY AS WE WISH.

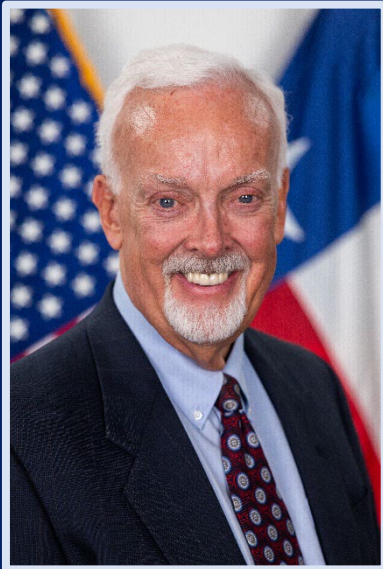
PRESIDENT RONALD REAGAN

Texas Veterans Land Board



The Honorable Dawn Buckingham, M.D.

Chairwoman



Rear Admiral (Ret.) Jud Scott

Member



Mr. James Rothfelder

Member

Dawn Buckingham, M.D., Commissioner of the Texas General Land Office serves as Chairwoman of the Veterans Land Board and is joined by two governor appointed, senate confirmed, citizen board members. Judson Scott is a retired U.S. Navy Rear Admiral. James Rothfelder is a portfolio manager in the investment banking industry.

THE MISSION OF THE VETERANS LAND BOARD IS TO ENSURE THE VETERANS OF TEXAS CAN ACCESS LAND LOANS, HOME LOANS, SKILLED NURSING CARE AND THE CEMETERY SERVICES THEY ARE ELIGIBLE FOR IN RECOGNITION OF THEIR HONORABLE SERVICE TO OUR COUNTRY.

Philosophy

Care for Texas Veterans

The Veteran is our purpose. We strive to ensure that Texas Veterans can access their benefits and that they are treated with respect. We act in ways that protect their dignity and privacy. We honor their service to our country by faithfully serving them and their families to the best of our ability.

Superior Customer Service

We focus on superior customer service. We openly communicate with our Veterans and their authorized representatives. We challenge our third-party operators to provide the best service. We care for our Veterans the way we would want to be treated.

Fiscal Responsibility

We take fiscal responsibility seriously. Properly balancing long-term financial planning with spending is critical to ensuring the VLB can provide the benefits Texas Veterans are entitled to. All VLB employees are expected to prevent and report fraud, waste, and abuse.

Transparency

We are accountable to the Board. We will keep our leadership informed. We work collaboratively with each other, with external partners and the public. We will strictly follow all open records and open meeting laws.

Positive Work Environment

The VLB fosters a friendly, welcoming, challenging, professional and ethical work environment free from harassment and discrimination.

Letter from the Executive Secretary



Since 1946 the Texas Veterans Land Board has provided valuable benefits to Veterans in recognition of their service to the United States of America. While the programs and benefits have evolved over the last seventy-eight years, the core mission has not changed. The Veteran remains our purpose.

This operational plan is intended for use by VLB staff to enhance the service to Texas Veterans. This is not a replacement for the strategic plan that the agency is required to submit to the Legislative Budget Board (LBB), however, this plan does include the specific actions submitted to the LBB in the GLO and VLB Strategic Plan.

My expectation is that all VLB team members are focused on continuous improvement. We must always keep our Veterans and Texas taxpayers in mind. We have a duty to internalize our mission and live the values of caring for Texas Veterans, providing superior customer service, ensuring fiscal responsibility, being transparent in our work and respecting our co-workers by fostering a positive work environment.

Together our efforts will enable Veterans to realize their dreams of home and land ownership, to provide compassionate and quality care for our Veterans in need of skilled nursing homes, and honor deceased Veterans and family members with dignified burial services in their final resting place.

From the Revolutionary War to present day, more than 41 million men and women have served in the defense of the United States of America. Texas is home to the largest population of Veterans in the United States. The approximately 1.6 million living Texas Veterans earned these benefits, and it is up to us to deliver. Each one of them raised their right hand and swore an oath to protect our country and our Constitution. Our ability to serve them in return is a privilege. I am confident in your ability and desire to be as dedicated to them as they are to our country.

Sincerely,

A handwritten signature in black ink that reads "Anthony W. Dale".

Tony Dale
Executive Secretary
U.S. Army Veteran

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VLB Bond Funds Management

The VLB Bonds Fund Management team plans, executes, and manages the overall financial management strategy for VLB to maximize economic benefit and provide funding for VLB



divisions in a manner that ensures their continued economic viability. They oversee all aspects of VLB bond fund, swap, and liquidity portfolios, including analysis of refunding opportunities and determination of method of execution to include, but not limited to loan sales and refunding. They maintain relationships with existing professionals and providers, and work to expand the universe of eligible providers for VLB activities, approved swap counterparties and liquidity providers. The team plans, executes, and manages all areas of new Veterans Land Board bond issuance and derivative interest rate swap transactions, including structuring, scheduling, cash flow analysis, document review, negotiation and execution of liquidity facilities, interaction with external bond counsel and financial advisors. They present to the VLB Board, the Texas Bond Review Board, and national credit rating agencies.

The Board may provide by resolution for the issuance and sale of bonds authorized by the constitution for the purpose of making loans to Veterans. The Board may use money attributable to bonds issued to provide money to pay all costs of issuance of the bonds, including costs, fees, and expenses of the board to pay from the Veterans land fund in connection with the issuance of the Veterans land bonds.

Objective 1: Complete Bond Portfolio Review.

Tactics: Review and assess the current loan and bond portfolio and cash flows with outside consultants including bond counsel, tax counsel, financial advisor, and arbitrage rebate consultants.

Deliverable: Recommendation on actions to current bond portfolio, future bond structures, and loan portfolio.

Objective 2: Manage bond funds in a fiscally sound way to ensure the maximum return while managing financial risk.

Tactics: Review the budget and cash flows related to bond funds to ensure sufficient revenues to fund expansions, ongoing administrative costs, and future construction costs. Work with all VLB program areas and GLO financial management to improve communication and expectations.

Deliverable: Create reports on each home and bond fund activity that project multiple scenarios based on historical activity as well as best/worst case. Increase VLB input in the budgeting process independent of GLO to ensure that budgets match with expected revenues.

Objective 3: Maximize benefits to Veterans.

Tactics: Explore options to provide greater benefits to Veterans at our nursing homes by evaluating the cost structure and maximizing all resources available to VLB and the residents.

Deliverable: Assessment and recommendations to the Board on fiscal strengths and weaknesses to guide future decisions.

Veterans Land and Housing



The Veterans Land and Housing division receives, processes, originates, and closes land, housing, and home improvement loan applications. The Veterans Land Loan section gives Veterans the opportunity to borrow up to \$150,000 to purchase land at competitive interest rates with a 30-year fixed term. Dual-military and dual-Veteran married couples are eligible for loans up to \$225,000. Sometimes the VLB must

forfeit on delinquent land loans. The VLB then makes these tracts of land available initially to Texas Veterans and later the public, to purchase in Quarterly Land Sales.

Veterans Housing Assistance Program (VHAP) aids Veterans in purchasing a home. Eligible Texas Veterans have an opportunity to purchase a home with a competitive, low-interest loan with little or no down-payment. Veterans with a VA service-connected disability rating of 30% or greater qualify for a discounted interest rate.

Veterans Home Improvement Program provides loans to qualified Veterans for home repairs and improvement to their existing homes.

Objective 1: Assist Veterans in purchasing or processing of homes, land and home improvement loans.

Tactics: Collaborate with VLB Marketing & Gateway Bank (Program Administrator) in promoting all loan programs to increase participation.

Deliverable: For Fiscal Year 2025, purchase from participating lenders, VHAP loans in the amount of \$400M to \$500M, originate and fund \$80M to \$100M in land loans and \$2M to \$3M in home improvement loans. Maintain buyer's loan solvency through loss mitigation efforts that achieve no less than 65% of delinquent land accounts removed from forfeiture. Reduce loan processing time to less than 45 days.

Objective 2: Implement and promote the dual spouse participation in the land Program.

Tactics: Collaborate with VLB Marketing to promote the dual spouse program.

Deliverable: Implement and promote dual spouse participation.

Objective 3: Improve customer service via self-help online system for the land and home improvement loan programs.

Tactics: Work with Information Technology Services and MeridianLink to implement an online system where applicants may view the status of their loan application and view any outstanding deficiencies and next steps.

Deliverable: Implement an online system using the current loan origination system, where applicants can obtain up to date status of their loan application.

Texas State Veterans Homes

The VLB owns nine skilled nursing homes that furnish shelter, food, medical attention, nursing services, medical services, social activities, or other personal services or attention to Veterans,



their spouses and Gold Star parents. As of 2024, the existing Veterans homes are in Amarillo, Big Spring, Bonham, El Paso, Floresville, Houston, McAllen, Temple, and Tyler. A tenth home is scheduled to open in calendar year 2025 in Fort Worth.

The VLB contracts with private nursing home companies for day-to-day operations and maintenance of the homes. Each facility is designed to enhance quality of life

with a clean, caring, and dignified setting appropriate to those men and women who have served our country with honor.

The Texas State Veterans Homes are constructed and operated in partnership with the United States Department of Veterans Affairs which provides partial funding for construction, expansion, and health care benefits. Residents can combine private insurance, VA payments and Medicare or Medicaid to cover daily costs. Eligible Veterans with a service-connected disability of 70% or greater may stay at the homes at no cost to the Veteran. Residents can choose between a private or semi-private room based upon availability. Memory care units at each home provide highly specialized care including access to secure landscaped courtyards.

Objective 1: Complete construction, open and admit the maximum number of Veterans and eligible family members as residents in the Tuskegee Airmen Texas State Veterans Home in Fort Worth.

Tactics: Follow procedures and admit Veterans and pass all inspections. Admit our first Veteran resident in Q2 FY25.

Deliverable: Home will be 90% full by 4th quarter of FY25.

Objective 2: Maximize the usage of the VA Nurse Grants Program

Tactics: Track monthly operator utilization of the nurse grant program. Discuss utilization at regular intervals with operator leadership.

Deliverable: Utilize 90% or more of available grants during the FY.

Objective 3: Enhance living conditions for Veterans and residents in Texas State Veterans Homes that are 20 years or older (Amarillo, Big Spring, Floresville, Temple) by planning and beginning execution of a refurbishment and remodeling plan.

Tactics: Work with the Refurbish Team established in FY24 and develop a plan and grant application to the VA to refurbish the four homes that are 20+ years of age.

Deliverable: Submit a grant application in accordance with VA established guidelines. If a grant is awarded in FY25, begin execution of renovations.

Objective 4: Establish in person peer-to-peer counseling in each home.

Tactics: Provide professional, standardized Post Traumatic Stress Disorder (PTSD) training. Outsource the training if necessary. Establish Memorandum of Understanding with the Texas Veterans Commission to facilitate collaboration.

Deliverable: Provide military competency focused training to the staff of all operators to ensure proper care and approach is used when caring for Veterans and residents with PTSD.

Objective 5: Collaborate with the Texas Veterans Commission to review the disability claims of resident Veterans with the U.S. Department of Veterans Affairs.

Tactics: Ensure benefit packets are current and processed through the VA system to ensure Veterans are receiving the benefits that they have earned. Provide space, times and locations for TVC representatives to visit each home on a regular basis. Track TVC claims specialist visits and interactions with residents.

Deliverable: Increase the number of 70% Service-Connected Disabled Veteran residents by at least 20% more by year-end FY25.

Objective 6: Serve the maximum number of Veterans by maintaining a daily population of 92% or greater in all Texas State Veterans Homes.

Tactics: Maintain a clean, caring, and dignified environment for our Veterans, their Spouses, and Gold Star Parents. Collaborate with our operators, the Texas Health and Human Services Commission, and the U.S. Department of Veterans Affairs to identify and resolve issues impacting resident quality of life.

Deliverable: Average census above 92% across all homes for all twelve months of the fiscal year.

Texas State Veterans Cemeteries

The mission of the Texas State Veterans Cemeteries is to serve eligible Veterans and their families by providing high quality support for committal services and perpetual care of the grounds and facilities for all who served our nation with distinction.

The VLB operates four Veterans cemeteries located in Abilene, Corpus Christi, Killeen, and Mission. A fifth cemetery is under construction in Lubbock with completion scheduled for late



calendar year 2025. The cemetery division is a partnership between the VLB and the U.S. Department of Veterans Affairs. The state cemeteries are strategically located to complement the five national cemeteries in San Antonio (2), Houston, Dallas-Fort Worth, and El Paso. At each cemetery, VLB interests are monitored by an on-site representative who is an employee of the agency. Daily operations and maintenance are conducted via contracts with county or

municipal governments. The state provides this benefit to Veterans in recognition of their service to this state and the United States and to honor Veterans with a final resting place and with lasting memorials that commemorate their service.

Objective 1: Successfully implement the Lubbock establishment grant (TX-22-34).

Tactics: Develop and manage monthly reports across constructing, equipping, staffing, and training work strands to identify and correct coordination and planning issues. periodic on-site visits. OSR monitors closely.

Deliverable: Meet all project timelines, no cost overruns.

Objective 2: Successfully implement Corpus Christi expansion grant (TX-22-33).

Tactics: Develop and manage monthly reports of construction progress and operational impacts. Periodic on-site visits. OSR monitors closely.

Deliverable: Meet all project timelines, no cost overruns.

Objective 3: Successfully implement Killeen expansion grant (TX-23-35).

Tactics: Develop and manage monthly reports of construction progress and operational impacts once NCA grant is awarded.

Deliverable: Meet all project timelines, no cost overruns.

Objective 4: Implement a local government support contract at the West Texas State Veterans Cemetery in Lubbock.

Tactics: Draft and negotiate a support contract to provide the personnel and daily operating supplies for the cemetery.

Deliverable: 100% local support contract in effect by end of FY25.

Objective 5: Recommend changes to the Texas Natural Resources Code to reflect the modern realities of the cemetery program.

Tactics: Provide information and subject matter expert testimony, as requested, for the Legislative Session.

Deliverable: Timely and accurate staff support of the Government Affairs Team.

Objective 6: Develop, prepare, and submit establishment grant applications for new cemetery locations in Texas.

Tactics: As identified and directed, prepare engineering estimates and submit establishment grant applications.

Deliverable: Establishment grant applications submitted for new cemeteries in Texas which are fully conforming to NCA submission standards and submitted by 1 July.

Veterans Affairs



Veterans Affairs is responsible for assessing how all actions within the Veterans Land Board impact our Veterans. Veterans Affairs supervises the Pharmacy Audit program in support of our State Veterans Homes and the VLB Accounting Team in support of our State Veterans Homes and State Veterans Cemeteries. The Team is led by the Assistant Executive Secretary who serves as a key leader and advisor to the Executive Secretary. The Assistant Executive Secretary

has the authority to lead the agency in the absence of the Executive Secretary.

Objective 1: Develop a consolidated complaint tracking system for all VLB divisions.

Tactics: Review current complaint tracking efforts in VLB divisions. Identify existing commonalities, critical information required by each, and create a single, shared template that conforms to Sunset Commission recommendations and helps organize and streamline complaint tracking and resolution.

Deliverable: Functional VLB-wide complaint tracking system that can produce quarterly and annual executive level dashboards by March 2025.

Objective 2: Establish single source Texas State Veteran Homes census report.

Tactics: Eliminate redundant work in the creation and use of the current census report. Explore potential of using PointClickCare (PCC) software to generate this report from existing resident data. Incorporate automated rules/processes to produce needed follow-on reports and data inputs for VLB divisions.

Deliverable: A census report, easily accessible by operators and VLB program areas, that can function as the single data source for VLB reporting and data input needs by June 2025.

Objective 3: Improve the efficiency and accuracy of the pharmacy audit database (VLBPAS).

Tactics: Eliminate—to the greatest extent possible—manually maintained spreadsheet inputs in favor of database-of-record (e.g. PCC) reports for the monthly pharmacy audit. Work with GLO Information Technology Services (ITS) to modify the rules in VLBPAS to accurately reflect the permissions and restrictions in the Medication Ordering Guidelines.

Deliverable: Database-of-record inputs to VLBPAS by June 2025. Guidelines correctly implemented in VLBPAS by August 2025.

Objective 4: Improve collaboration with Veteran community and state level Veteran Services Officer leadership.

Tactics: Establish working relationship with Texas Coalition of Veterans Organizations (TCVO). In conjunction with TCVO, TVC, and VLB Marketing, identify the Veteran communities and VSOs where VLB connection is lacking/needed and prioritize those regions and organizations. Engage those Veteran communities and organizations' leaders to identify methods to strengthen our working relationships, cooperation, and collaboration.

Deliverable: Contact established with the identified communities and leaders and actions taken / recommendations to strengthen collaboration by June 2025.

Objective 5: Identify process improvements or technological options to gain measurable efficiencies in VLB Accounting.

Tactics: Use of DocuSign for signature approval. Elimination of double or redundant work not required for error-checking or verification. Collaboration with VLB, GLO, and external partners to identify and share best practices and lessons learned.

Deliverable: Demonstrable increase in efficiency or effectiveness.

Legal Counsel

The General Land Office's Office of General Counsel provides legal services to the Veterans Land Board. They make available legal support that provides expertise; advice on operations;



review of real estate transactions; contract negotiation, review and tracking; open records and open meetings advice; consultation on human resources matters; and drafting, review and advice on rulemaking.

General Counsel has assigned one attorney in its General Law section to provide day-to-day support to the Executive Secretary, the leadership team, and staff. General Counsel assigns other attorneys in Legal Services to assist the Veterans Land Board on an ad hoc basis.

Objective 1: Enhanced guidance on procurement processes.

Tactics: Increased dialogue with divisions on pre-contractual requirements, contract performance issues, end dates and potential renewals, and issues involving negotiations.

Deliverable: Provide more comprehensive guidance to VLB divisions on aspects of the procurement process.

Objective 2: Review of VLB rules in the Texas Administrative Code.

Tactics: Engage with VLB divisions to perform comprehensive review of the Board's rules (Texas Administrative Code, Title 40, Part 5, Chapters 175 – 178); review, and if necessary, revise, consolidate, update, and/or repeal these rules as appropriate.

Deliverable: Updated rules consistent with the Board's policies, procedures, and practices.

VLB Marketing & Outreach

VLB Marketing is imbedded in the Communications Department of the General Land Office.



The Director of VLB Marketing & Outreach supervises the Marketing team, the Call Center, Veterans Outreach Specialists and Outreach Customer Service. The team's priority is to ensure Veterans are aware of and know how to access the benefits they have earned. The Marketing & Outreach team has a formal memorandum of understanding with the Texas Veterans Commission to collaborate to fund and operate a statewide call center that connects Veterans with services. The team also conducts joint marketing efforts across the state with the Texas Veterans Commission.

Objective 1: Provide Texas Veterans, Military Members, and their families with comprehensive information and education on various VLB benefits and programs, including home loans, land loans, home improvement loans, land auctions, State Veterans Homes, and State Veterans Cemeteries. Additionally, enhance awareness of the Voices of Veterans oral history program.

Tactics: Develop a comprehensive plan that leverages diverse marketing techniques and data-driven insights to enhance awareness among Veterans, Military Members, and their families about their benefits, ensuring effective outreach and communication.

Deliverables: Meet or exceed marketing objectives established by the Texas General Land Office and Veterans Land Board Leadership Teams. Increase marketing and outreach initiatives within industries such as real estate and long-term care, while also expanding efforts to reach rural and underserved counties statewide. Develop marketing campaigns to increase the number of interviews in the Voices of Veterans oral history program. Design and implement data-driven marketing campaigns to consistently achieve a 92% overall census for the Texas State Veterans Homes program.

Objective 2: Collaborate with the Texas Veterans Commission to serve the maximum number of Veterans possible through the statewide call center.

Tactics: Supervise and manage daily operations of the Texas Veterans Call Center to ensure optimal results and customer satisfaction. Conduct regular meetings with Texas Veterans Commission leadership to review call center operations and to address any issues.

Deliverables: Achieve higher call center customer satisfaction while minimizing wait times and reducing abandoned calls. Organize co-hosted Veterans Benefit Fairs in underserved populations with the Texas Veterans Commission on a quarterly basis.

Objective 3: Elevate the awareness of Texas Real Estate Commission (TREC) approved training courses on VLB loan programs and expand the number of courses offered.

Tactics: Work with outreach representatives throughout the state to foster relationships amongst the real estate community to increase the demand for the Texas Real Estate Commission approved training courses on VLB loan programs. Create a digital and social media marketing campaign to increase awareness of the VLB's Texas Real Estate Commission approved continuing education course.

Deliverables: Increase partnerships with real estate industry associations, lenders, and other organizations. Conduct at a minimum 50 Texas Real Estate Commission approved training courses throughout the state by the end of FY25.

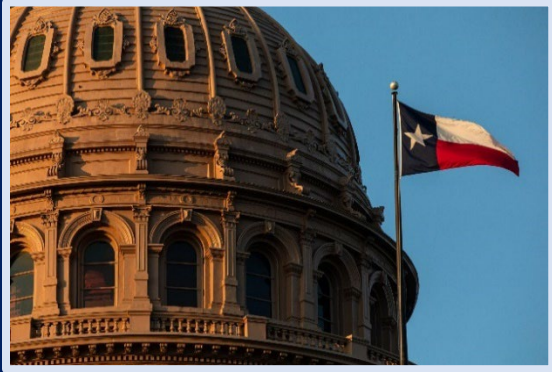
Objective 4: Create and execute a written strategic marketing plan for the Texas State Veterans Home in Fort Worth.

Tactics: Collaborate with the Veterans Homes leadership, operator's marketing team, and outside media contractors to develop a plan to introduce the home to area Veterans.

Deliverables: Meet or exceed quarterly resident census targets developed by the Director of Texas State Veterans Homes.

Governmental Relations

The Governmental and Intergovernmental Relations department at the Texas General Land Office has a team that is dedicated to the Veterans Land Board. The team serves as the primary



interface between the agency and the Legislature, other state agencies, the federal government, and local and regional governmental bodies. By serving as a bridge, the team ensures that the VLB's priorities are clearly articulated to the Legislature, while also ensuring a deeper understanding of the Board's mission and objectives. The team assists with drafting of the agency strategic plan that is submitted to the Legislative Budget Board,

preparing for testimony for legislative and regulatory hearings, interfacing with legislative members and staff, and tracking of state and federal legislation of interest to the agency. Through these efforts, the team's commitment to the Veterans Land Board exemplifies the importance in advancing the interests of Veterans with the guarantee that their needs are prioritized at all levels of government.

Objective 1: Invite Elected Officials and their staff to visit all Texas State Veterans Homes and Cemeteries.

Tactics: Identify Members with VLB facilities in their respective districts to extend invitations and schedule visits after the 89th legislative session concludes.

Deliverable: Ensure that the target Members and staff visit the cemeteries and homes by the end of FY25.

Objective 2: Educate newly elected officials and their staff on VLB programs and services available to Texas Veterans, military members and their families.

Tactics: Identify new Members and staff to invite them to a brief VLB overview.

Deliverable: Host GLO/VLB informative overviews at the start of the 89th legislative session.

Objective 3: Solicit input from VLB staff on legislative proposals in preparation for the 89th legislative session in 2025.

Tactics: Develop a list of potential recommendations, rank by priority, prepare briefing documents as appropriate.

Deliverable: Detailed, written submission of prioritized legislative and budgetary recommendations submitted by the deadline established by the project lead.

Executive Leadership

The Board of Directors delegates to the Executive Secretary general powers and duties of the Board. The day-to-day executive management team is responsible for executing the strategies and operations of the VLB, with five key responsibilities.



Strategy implementation: Develops and implements the strategic plans and initiatives outlined by the Board, aligning resources, and guiding the VLB towards its goals.

Operational leadership: Manages the daily operations, makes operational decisions, and oversees functional divisions to ensure efficiency, productivity, and profitability.

Team management: Recruits, develops, and leads the talented individuals who form the backbone of the VLB, ensuring a motivated workforce and fostering a positive culture.

Financial management: Manages the financial resources of the VLB, including budgeting, financial planning, reporting, and ensuring effective use of funds to achieve objectives.

Stakeholder communication: Maintains transparent and effective communication with stakeholders, including employees, customers, investors, and regulatory bodies, representing the VLB's interests and upholding its reputation.

Objective 1: Create a five-year long-range planning calendar for Board activities to identify future needs, trends, and challenges, and to support strategic decisions now to ensure future success and sustainability.

Tactic: Collaboration with the Loan Division and Bond Funds Management for awareness of key activities. Collaborate with scheduling and Board Members to ensure availability of key leaders.

Deliverable: Published five-year schedule of Board meetings and required annual or bi-annual reports or activities.

Objective 2: Keep Board Members informed of significant agency activities.

Tactics: Meet with Board Members prior to each board meeting. Provide bi-weekly briefings to the Chair. Provide a monthly executive summary of VLB activities. Engage Board members in community and agency events.

Deliverable: Bi-weekly Chair Update Brief provided to Chair. Monthly executive summary developed and provided to Board Members. Successful pre-board meetings with Board Members. Invitations to Board members to attend VLB related events.



Texas Veterans Land Board

Senior Staff



Tony Dale
Executive Secretary
US Army Veteran



Morris Karam
Legal Counsel



Robert Miri
Board Secretary
US Army & US Navy Veteran



John Barton
Director of
Veterans Land
Board Bond
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Darren Fitz Gerald
Director of
Veteran Affairs
US Army Veteran



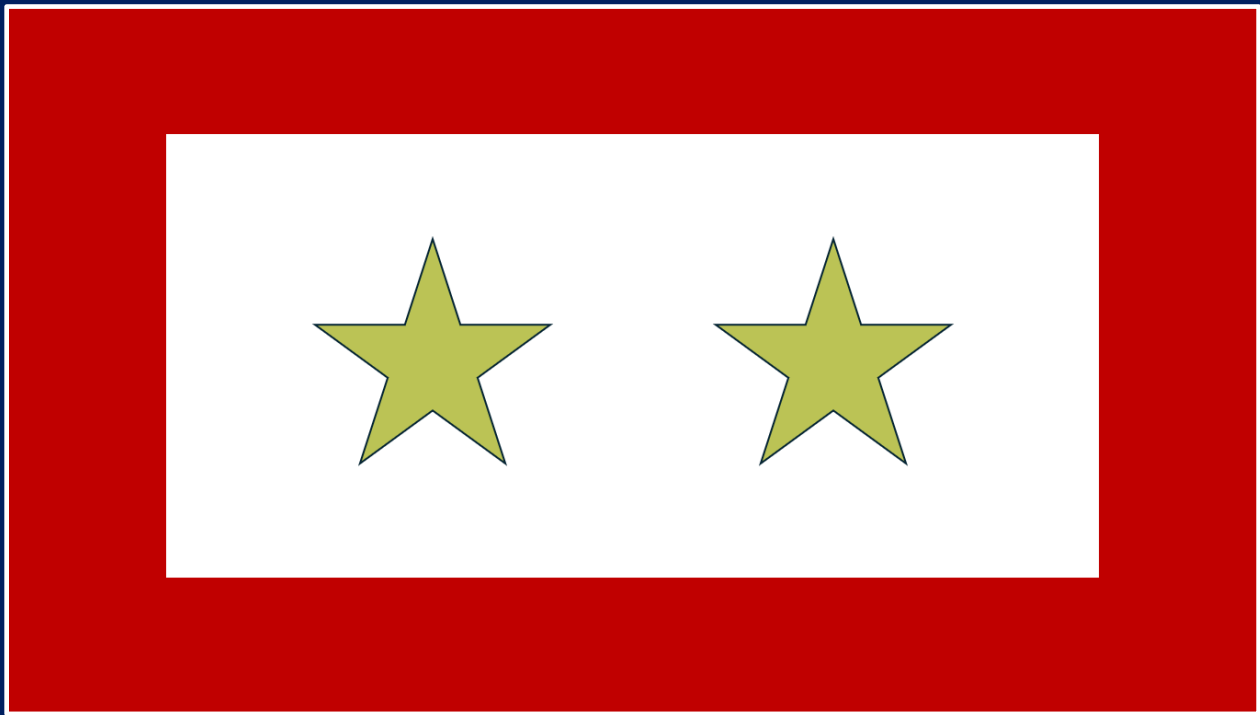
Raul Gonzales
Director
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Bobby Breeden
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Veterans Homes
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Dr. John Kelley
Director
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Cemeteries
US Army Veteran



WE SALUTE EMPLOYEES IN THE ARMED SERVICES

DEVOTION TO DUTY, TO HONOR AND TO COUNTRY HAS BEEN A PARAMOUNT VIRTUE IN THE GENERAL LAND OFFICE FOR MORE THAN A CENTURY, AND THE CHEERFUL SELF-SACRIFICE AND UNQUESTIONED COURAGE OF ITS PERSONNEL IN TIMES OF STRESS, ITS PROUDEST TRADITION. WITH HEADS UNCOVERED, WE BOW IN MEMORY OF

ED COBB, JR., AND SMITH C. MURPHY

FORMER EMPLOYEES, WHO, AS MEMBERS OF THE ARMED FORCES, HAVE MADE THE SUPREME SACRIFICE AND LAID THEIR BRAVE YOUNG LIVES UPON THE ALTAR OF OUR COUNTRY THAT THE IDEALS UPON WHICH OUR FOREFATHERS FOUNDED THIS GOVERNMENT SHALL NOT PERISH FROM THE EARTH.

Excerpt from the Report of the Commissioner of the General Land Office, 1942-1944.