ORDER LEVYING TAXES

WHEREAS, Harris County Municipal Utility District No. 43 of Harris County, Texas (the "District"), has bonds outstanding that are payable from ad valorem taxes; and

WHEREAS, the resolutions authorizing such bonds require a general levy of taxes for the purpose of providing for interest and principal payments on such bonds, while any part of said principal or interest remains outstanding and unpaid; and

WHEREAS, the voters of the District have authorized the levy of a tax to pay for maintenance expenses at an election held for such purpose; and

WHEREAS, it is necessary for the Board of Directors to fix a specific rate of tax to be levied for the tax year 2016, based on the District's tax rolls for 2016, which have been prepared by the Harris County Appraisal District; now, therefore

BE IT ORDERED BY THE BOARD OF DIRECTORS OF HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 43 OF HARRIS COUNTY, TEXAS, THAT:

Section 1: There is hereby levied an ad valorem tax of \$0.50 on each \$100 of taxable property within the District for the tax year 2016, consisting of the following two components: \$0.25 to pay the District's debt service and \$0.25 to fund the District's maintenance and operation expenditures.

Section 2: After paying reasonable costs of levying, assessing, and collecting same,\$0.25 of each \$0.50 collected pursuant to this levy shall be deposited in the District's Debt Service Fund and shall be used solely for the purpose of paying interest on and principal of the District's outstanding bonds and paying the registrar fees; and the remaining \$0.25 of each \$0.50 so collected shall be deposited in the District's Operating Fund and shall be used to pay maintenance and operation expenses, including, but not limited to, funds for planning, maintaining, repairing, and operating all necessary works, improvements, facilities, plants, equipment, and appliances of the District, and for the payment of proper services, engineering and legal fees, and administrative expenses.

Section 3: The taxes levied hereby shall be delinquent if not paid by January 31, 2017.

<u>Section 4</u>: This Order shall be effective from and after its adoption.

PASSED AND APPROVED the 2016 day of October, 2016.

Directors

President, Board of Directors

ATTEST: