

NOTICE OF PURCHASE PRICES

**RELATING TO THE
INVITATION TO TENDER BONDS DATED FEBRUARY 20, 2024**

made by

TEXAS TRANSPORTATION COMMISSION

*to the Bondowners described herein of all or any portion of the maturities
and corresponding CUSIPs listed on page (ii) of the Tender Offer for a cash price*

**TEXAS TRANSPORTATION COMMISSION
STATE OF TEXAS
HIGHWAY IMPROVEMENT
GENERAL OBLIGATION REFUNDING BONDS
TAXABLE SERIES 2019**

(BASE CUSIP: 882724)

**TEXAS TRANSPORTATION COMMISSION
STATE OF TEXAS
HIGHWAY IMPROVEMENT
GENERAL OBLIGATION REFUNDING BONDS
TAXABLE SERIES 2020**

(BASE CUSIP: 882830)

Pursuant to the Invitation to Tender Bonds dated February 20, 2024, as amended and supplemented by the Pricing Notice dated February 27, 2024 and the Notice of Preliminary Acceptance dated March 5, 2024 (as it may be amended or supplemented, including the cover page, inside cover pages and Appendices, the “**Invitation**”), the Texas Transportation Commission (the “**Commission**”) invited Bondowners to tender Target Bonds for cash at the applicable purchase price (each an “**Offer Purchase Price**”) based on a fixed spread (each a “**Fixed Spread**”) to be added to the yield on the relevant benchmark United States Treasury Security (the “**Benchmark Treasury Security**”), plus Accrued Interest on the Target Bonds tendered for purchase to but not including the Settlement Date (“**Accrued Interest**”). All terms used herein and not otherwise defined herein are defined in the Invitation.

The Offer Purchase Prices, expressed as a dollar amount per \$100 principal amount, for the Target Bonds of each CUSIP set forth on Schedule 1 hereto were calculated by the Commission based on a yield (a “**Purchase Yield**”) for each CUSIP of the Target Bonds determined by adding (a) the relevant Fixed Spread to (b) the yield (the “**Treasury Security Yield**”) on the relevant Benchmark Treasury Security, as set forth in the Invitation. The Offer Purchase Prices were calculated using the market standard bond pricing formula as of the Settlement Date using the relevant Purchase Yield, the coupon of the relevant Target Bond and the maturity date for each Target Bond, except for each of the Target Term Bonds, which will be priced to their respective average life date as shown in Schedule 1.

The Treasury Security Yields were determined at approximately 10:00 a.m., Eastern time, on March 6, 2024.

On March 6, 2024, unless such date is extended by the Commission (the “**Final Acceptance Date**”), the Commission will announce its acceptance for purchase of the Target Bonds, if any, from among those Target Bonds of such maturity and corresponding CUSIP initially accepted for purchase as listed on Schedule 1 hereto by giving notice via the Final Notice of Acceptance. The Commission has no obligation to accept for purchase any tendered Target Bonds and the Commission’s obligation to pay for Target Bonds validly tendered (and not validly withdrawn) and accepted pursuant to the Invitation is subject to the terms and conditions of the Invitation including, *inter alia*, satisfaction or waiver of the Financing Conditions (as defined in the Invitation) on or prior to the Settlement Date.

Should the Commission determine to purchase some but not all of the tendered Target Bonds of a particular CUSIP, it will accept such Target Bonds tendered for purchase on a pro rata basis as described in the Invitation.

The Invitation, including the Preliminary Official Statement relating to the Commission's State of Texas Highway Improvement General Obligation Refunding Bonds, Series 2024, a portion of the proceeds of which will be used to purchase the tendered Target Bonds, if such Target Bonds are purchased, the Pricing Notice dated February 27, 2024 and the Notice of Preliminary Acceptance dated March 5, 2024 are available through the Information Services at: (i) at the Municipal Securities Rulemaking Board through its EMMA website, currently located at <http://emma.msrb.org>, using the CUSIP numbers for the Target Bonds, and (ii) on the website of the Information Agent and Tender Agent at <https://www.globic.com/txdot>.

Any questions are to be directed to the Information Agent and Tender Agent at (212) 227-9622.

March 6, 2024

SCHEDULE 1

The table below provides a listing of the respective Offer Purchase Prices of the Target Bonds of each CUSIP.

TEXAS TRANSPORTATION COMMISSION STATE OF TEXAS HIGHWAY IMPROVEMENT GENERAL OBLIGATION REFUNDING BONDS TAXABLE SERIES 2019

CUSIP No ⁽¹⁾	Maturity Date (April 1)	Average Life Date ⁽²⁾	Interest Rate (%)	Outstanding Principal Amount	Par Call Date	Benchmark Treasury Security ⁽³⁾	Fixed Spreads	Treasury Security Yield	Purchase Yield	Offer Purchase Price
882724QD2	2025	N/A	4.000	\$3,795,000	N/A	2-Year	+0.0 bps	N/A	---	---
882724QE0	2026	N/A	4.000	3,945,000	N/A	2-Year	+0.0 bps	N/A	---	---
882724QF7	2027	N/A	4.000	4,100,000	N/A	3-Year	+0.0 bps	N/A	---	---
882724QG5	2028	N/A	3.000	33,070,000	N/A	5-Year	-25.0 bps	4.101%	3.851%	96.866
882724QH3	2029	N/A	3.000	34,065,000	N/A	5-Year	-22.0 bps	4.101%	3.881%	96.024
882724QJ9	2030	N/A	2.604	35,080,000	04/01/2029	7-Year	-17.0 bps	4.112%	3.942%	92.903
882724QK6	2031	N/A	2.704	36,000,000	04/01/2029	7-Year	-12.5 bps	4.112%	3.987%	92.222
882724QL4	2032	N/A	2.804	36,970,000	04/01/2029	10-Year	-10.0 bps	4.106%	4.006%	91.834
882724QM2	2033	N/A	2.884	38,005,000	04/01/2029	10-Year	-5.0 bps	4.106%	4.056%	91.229
882724QN0	2034	N/A	2.964	39,105,000	04/01/2029	10-Year	+3.0 bps	4.106%	4.136%	90.473
882724QP5	2044	09/02/2039	3.211	427,655,000	04/01/2029	10-Year	+39.0 bps	4.106%	4.496%	85.810

TEXAS TRANSPORTATION COMMISSION STATE OF TEXAS HIGHWAY IMPROVEMENT GENERAL OBLIGATION REFUNDING BONDS TAXABLE SERIES 2020

CUSIP No ⁽¹⁾	Maturity Date (April 1)	Average Life Date ⁽²⁾	Interest Rate (%)	Outstanding Principal Amount	Par Call Date	Benchmark Treasury Security ⁽³⁾	Fixed Spreads	Treasury Security Yield	Purchase Yield	Offer Purchase Price
882830AP7	2042	08/12/2038	2.562	\$325,755,000	04/01/2030	10-Year	+37.0 bps	4.106%	4.476%	79.869

(1) CUSIP is a registered trademark of FactSet. CUSIP data herein is provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP numbers are being provided solely for the convenience of the owners of the Target Bonds and the Commission is not responsible for the selection or correctness of the CUSIP numbers printed herein and does not make any representation with respect to such numbers or undertake any responsibility for their accuracy.

(2) Average life date is shown for the Target Term Bonds only. The Target Term Bonds are priced to their respective average life dates.

(3) Each Benchmark Treasury Security is the most recently auctioned "on-the-run" United States Treasury Security for the maturity indicated as of approximately 10:00 a.m. ET on March 6, 2024.