

## Independent Accountants' Report

The Board of Directors and the Finance and Audit Committee of  
Electric Reliability Council of Texas, Inc.

We have examined management of Electric Reliability Council of Texas, Inc. (ERCOT)'s assertion that ERCOT, as servicer under the Default Property Servicing Agreement between ERCOT and Texas Electric Market Stabilization Funding M LLC, has complied with the applicable servicing criteria set forth in the attached Annual Servicer's Certificate during the period from August 14, 2025 through December 31, 2025. ERCOT's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion about ERCOT's compliance with the applicable servicing criteria based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion about compliance with the applicable servicing criteria is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertion is fairly stated, in all material respects. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent of ERCOT and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on ERCOT's compliance with the applicable servicing criteria.

In our opinion, management's assertion that ERCOT has complied in all material respects with the applicable servicing criteria is fairly stated, in all material respects.

This report is intended solely for the information and use of management, Texas Electric Market Stabilization Funding M LLC, U.S. Bank National Association, and Moody's Investors Service, Inc. and is not intended to be and should not be used by anyone other than the specified parties.

*Baker Tilly US, LLP*

Austin, Texas  
March 30, 2026

**ANNUAL SERVICER'S CERTIFICATE  
( Fiscal Year Ending 2025)**

The undersigned hereby certifies that he/she is the duly elected and acting Treasurer and Controller of ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC., a Texas non-profit corporation, as servicer (the "Servicer") under the Amended and Restated Default Property Servicing Agreement dated as of August 14, 2025 (the "Servicing Agreement") between the Servicer and TEXAS ELECTRIC MARKET STABILIZATION FUNDING M LLC, a Delaware limited liability company (the "Issuer"), and further that:

1. The undersigned is providing this report as required by Section 3.03(a) of the Servicing Agreement pursuant to which the Servicer has voluntarily agreed to adhere to the Servicing Criteria (as defined below).

2. Pursuant to the Servicing Agreement, the undersigned (a) is responsible for assessing the Servicer's compliance with the servicing criteria set forth in Item 1122(d) of Regulation AB (the "Servicing Criteria") and (b) has reviewed and evaluated the Servicer's activities during the Assessment Period (defined below) and its performance under the Servicing Agreement and adherence to the standards set forth in the Servicing Criteria. Unless otherwise defined herein, capitalized terms used herein shall have the meanings assigned to them in the Servicing Agreement.

3. With respect to each of the Servicing Criteria, the undersigned has made the following assessment of the Servicer's adherence to the Servicing Criteria, with such discussion regarding the performance of such Servicing Criteria during the period January 1, 2025 through December 31, 2025, covered by the Depositor's Annual Accountant's Report (such fiscal year, the "Assessment Period"):

Reference	Servicing Criteria	Applicable Servicing Criteria	Notes
<b>General Servicing Considerations</b>			
1122(d)(1)(i)	Policies and procedures are instituted to monitor any performance or other triggers and events of default in accordance with the transaction agreements.	Applicable; assessment in Paragraph No. 4 below.	Mid-day, Treasury employees run the report of outstanding invoices due that day and send reminders to Market Participants. Reminder emails are remitted from the Credit email box so they can view which market participants still owe payment on an invoice. Treasury and Credit work together per the Payment Breach and Late Payment Process in the Credit Operating Procedure. ERCOT Protocols Section 27 is posted detailing calculations and procedures for the obligor's review.
1122(d)(1)(ii)	If any material servicing activities are outsourced to third parties, policies and procedures are instituted to monitor the third party's performance and compliance with such servicing activities.	<b>Not applicable;</b> no servicing activities were outsourced.	
1122(d)(1)(iii)	Any requirements in the transaction agreements to maintain a back-up servicer for the pool assets are maintained.	<b>Not applicable;</b> documents do not provide for a back-up servicer.	
1122(d)(1)(iv)	A fidelity bond and errors and omissions policy is in effect on the party participating in the servicing function throughout the reporting	<b>Not applicable;</b> Commission rules impose credit	

Reference	Servicing Criteria	Applicable Servicing Criteria	Notes
	period in the amount of coverage required by and otherwise in accordance with the terms of the transaction agreements.	standards on retail electric providers}	
<b>Cash Collection and Administration</b>			
1122(d)(1)(v)	Aggregation of information, as applicable, is mathematically accurate and the information conveyed accurately reflects the information.	Applicable	Every month, the Monthly Servicer's Certificate reconciles the prior month. The certificates are prepared by a Treasury analyst and reviewed by the Treasurer, Controller and CFO or their representative prior to delivery to the Issuer, the Indenture Trustee, and the Rating Agency.
1122(d)(2)(i)	Payments on pool assets are deposited into the appropriate custodial bank accounts and related bank clearing accounts no more than two business days of receipt, or such other number of days specified in the transaction agreements.	Applicable	Treasury transfers daily to the trustee when applicable. The transfer is approved by two treasury employees in accordance with the Treasury Operating Procedure control [TR_0011] and SOC control 17.04. Payments within banking system cannot be entered and approved by the same user. These are also reconciled on the Monthly Servicer's Certificate. The bank statements are also reconciled monthly by accounting in accordance with the Financial Reporting Operating Procedure control [FR_0013]. Cash, investment and related accounts in the GL are reconciled monthly by accounting staff to bank and investment statements received from financial institutions.
1122(d)(2)(ii)	Disbursements made via wire transfer on behalf of an obligor or to an investor are made only by authorized personnel.	Applicable	ERCOT, as the Servicer, cannot make transfers. Rather, ERCOT, as the Servicer, provides the semi-annual Servicer's Payment Certificate that includes all the details for the Trustee to wire out payment. The Servicer's Payment Certificate is prepared by a Treasury analyst and approved by the Treasurer, Controller, and CFO or their representative.
1122(d)(2)(iii)	Advances of funds or guarantees regarding collections, cash flows or distributions, and any interest or other fees charged for such advances, are made, reviewed and approved as specified in the transaction agreements.	<b>Not applicable;</b> no advances by the Servicer are permitted under the transaction agreements.	
1122(d)(2)(iv)	The related accounts for the transaction, such as cash reserve accounts or accounts established as a form of overcollateralization, are separately	<b>Not applicable,</b> all transaction accounts are maintained by	

Reference	Servicing Criteria	Applicable Servicing Criteria	Notes
	maintained (e.g., with respect to commingling of cash) as set forth in the transaction agreements.	and in the name of the Indenture Trustee.	
1122(d)(2)(v)	Each custodial account is maintained at a federally insured depository institution as set forth in the transaction agreements. For purposes of this criterion, “federally insured depository institution” with respect to a foreign financial institution means a foreign financial institution that meets the requirements of Rule 13k-1(b)(1) of the Securities Exchange Act.	<b>Not applicable</b> , all “custodial accounts” are maintained by the Indenture Trustee.	
1122(d)(2)(vi)	Unissued checks are safeguarded so as to prevent unauthorized access.	<b>Not applicable</b> ; all transfers made by wire transfer.	
1122(d)(2)(vii)	Reconciliations are prepared on a monthly basis for all asset-backed securities related bank accounts, including custodial accounts and related bank clearing accounts. These reconciliations (A) are mathematically accurate; (B) are prepared within 30 calendar days after the bank statement cutoff date, or such other number of days specified in the transaction agreements; (C) are reviewed and approved by someone other than the person who prepared the reconciliation; and (D) contain explanations for reconciling items. These reconciling items are resolved within 90 calendar days of their original identification, or such other number of days specified in the transaction agreements.	Applicable; assessment in Paragraph No. 4 below.	The accounting team completes the reconciliations in accordance with the Financial Reporting Operating Procedure control [FR_0013] GL Reconciliation: Monthly GL balance sheet accounts are reconciled, and differences are resolved in a timely manner by designated accounting staff. Variance analysis that lists periodic comparison of GL account balances is prepared together with GL reconciliation. Cash, investment and related accounts in the GL are reconciled monthly by accounting staff to bank and investment statements received from financial institutions. Reconciliations are reviewed by the Controller or designee. Differences are investigated and resolved timely
<b>Investor Remittances and Reporting</b>			
1122(d)(3)(i)	Reports to investors, (A) are prepared in accordance with timeframes and other terms set forth in the transaction agreements; (B) provide information calculated in accordance with the terms specified in the transaction agreements; and (C) agree with the trustee’s records as to the total unpaid principal balance and number of pool assets serviced by the Servicer.	Applicable; in Paragraph No. 4 assessment below.	The Monthly Servicer’s Certificates and semi-annual Servicer’s Payment Certificates are uploaded to the investor website  <a href="https://www.ercot.com/about/hb4492securitization/subchapterm">https://www.ercot.com/about/hb4492securitization/subchapterm</a>
1122(d)(3)(ii)	Amounts due to investors are allocated and remitted in accordance with timeframes, distribution priority and other terms set forth in the transaction agreements.	<b>Not applicable</b> ; investor records maintained by Indenture Trustee.	
1122(d)(3)(iii)	Disbursements made to an investor are posted within two business days to the Servicer’s investor records, or such other number of days specified in the transaction agreements.	<b>Not applicable</b> ; disbursements to investors are made by Indenture Trustee	

Reference	Servicing Criteria	Applicable Servicing Criteria	Notes
1122(d)(3)(iv)	Amounts remitted to investors per the investor reports agree with cancelled checks, or other form of payment, or custodial bank statements.	<b>Not applicable;</b> disbursements to investors are made by Indenture Trustee	
<b>Pool Asset Administration</b>			
1122(d)(4)(i)	Collateral or security on pool assets is maintained as required by the transaction agreements or related pool asset documents.	Applicable; assessment in Paragraph No. 4 below.	The calculations are defined in ERCOT Protocols Section 26. The Credit team maintains the escrow amounts and they are separately listed on the Market Participant's Available Credit Limit (ACL) report.
1122(d)(4)(ii)	Pool assets and related documents are safeguarded as required by the transaction agreements.	Applicable; assessment in Paragraph No. 4 below.	Pool assets are held with the Trustee and invested in accordance with the transaction agreements. All agreements are maintained at:  <a href="https://www.ercot.com/about/hb4492securitization/subchapterm">https://www.ercot.com/about/hb4492securitization/subchapterm</a> and follow ERCOT records retention guidelines.
1122(d)(4)(iii)	Any additions, removals or substitutions to the asset pool are made, reviewed and approved in accordance with any conditions or requirements in the transaction agreements.	<b>Not applicable;</b> no removals or substitutions of default property are contemplated or allowed under the transaction documents.	
1122(d)(4)(iv)	Payments on pool assets, including any payoffs, made in accordance with the related pool asset documents are posted to the Servicer's obligor records maintained no more than two business days after receipt, or such other number of days specified in the transaction agreements, and allocated to principal, interest or other items (e.g., escrow) in accordance with the related pool asset documents.	Applicable; assessment in Paragraph No. 4 below.	Treasury processes payments from Market Participants through the AR Cash Application. The AR Cash Application receives bank statements and auto matches, based on set rules, payment to invoice. A Treasury analyst reconciles the bank to a daily cash position to ensure all payments (incoming cash) and payouts (outgoing cash) have been processed. Any issues are investigated and resolved. The pool assets are allocated to principal, interest and other items submitted to the Trustee and reconciled with the semiannual Servicer's Payment Certificate.
1122(d)(4)(v)	The Servicer's records regarding the pool assets agree with the Servicer's records with respect to an obligor's unpaid principal balance.	<b>Not applicable;</b> because underlying obligation (Default Charges) is not an	

Reference	Servicing Criteria	Applicable Servicing Criteria	Notes
		interest-bearing instrument.	
1122(d)(4)(vi)	Changes with respect to the terms or status of an obligor’s pool asset (e.g., loan modifications or re-agings) are made, reviewed, and approved by authorized personnel in accordance with the transaction agreements and related pool asset documents.	Applicable; assessment in Paragraph No. 4 below	No changes have occurred. If a change on the transaction documents was made, it would be done in accordance with the approval process set forth in the transaction agreements which include prior written consent of the Trustee, consent of the Public Utility Commission of Texas and satisfaction of all Rating Agency conditions.
1122(d)(4)(vii)	Loss mitigation or recovery actions (e.g., forbearance plans, modifications and deeds in lieu of foreclosure, foreclosures and repossessions, as applicable) are initiated, conducted and concluded in accordance with the timeframes or other requirements established by the transaction agreements.	Applicable; limited assessment in Paragraph No. 4 below.	The loss mitigation or recovery actions are described in ERCOT Protocols section 26.3.2.
1122(d)(4)(viii)	Records documenting collection efforts are maintained during the period a pool asset is delinquent in accordance with the transaction agreements. Such records are maintained on at least a monthly basis, or such other period specified in the transaction agreements, and describe the entity’s activities in monitoring delinquent pool assets including, for example, phone calls, letters and payment rescheduling plans in cases where delinquency is deemed temporary (e.g., illness or unemployment).	Applicable, but does not require assessment since no explicit documentation requirement with respect to delinquent accounts are imposed under the transactional documents due to availability of “true-up” mechanism.	We have not had any delinquent payments in accordance with the transaction agreements.
1122(d)(4)(ix)	Adjustments to interest rates or rates of return for pool assets with variable rates are computed based on the related pool asset documents.	<b>Not applicable;</b> Default Charges are not interest-bearing instruments.	
1122(d)(4)(x)	Regarding any funds held in trust for an obligor (such as escrow accounts): (A) such funds are analyzed, in accordance with the obligor’s transaction documents, on at least an annual basis, or such other period specified in the transaction agreements; (B) interest on such funds is paid, or credited, to obligors in accordance with applicable transaction documents and state laws; and (C) such funds are returned to the obligor within 30 calendar days of full repayment of the related pool asset, or such other number of days specified in the transaction agreements.	Applicable.	<p>A) Credit calculates the interest from the escrow balances on the ACL report per ERCOT Protocol Section 26.</p> <p>B) Interest on escrow deposits is paid out annually in accordance with the transaction agreements. Interest was paid on 03/19/2026</p> <p>C) N/A</p>

4. To the best of the undersigned's knowledge, based on such review, the Servicer is in compliance in all material respects with the applicable Servicing Criteria set forth above as of and for the period ending the end of the fiscal year covered by the Depositor's Annual Accountant's Report, except with respect to the matters identified in the list of Servicer Defaults contained in Annex A attached hereto (if any) and as otherwise set forth below.

5. A certified public accounting firm has issued an attestation report on the undersigned's assessment of compliance with the applicable Servicing Criteria set forth above as of and for the period ending the end of the fiscal year covered by the Depositor's Annual Accountant's Report.

Executed as of March 20, 2026.

ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.,

as Servicer

By:



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Name: Leslie Swanson

Title: Controller and Treasurer

ISSUER'S ANNUAL STATEMENT OF COMPLIANCE

I, Leslie Swanson, certify that:

(a) A review of Texas Electric Market Stabilization Funding M, LLC's (the "Issuer") activities undertaken during the calendar year ending December 31, 2025 (the "Annual Compliance Period") of its performance under that certain Amended and Restated Indenture dated as of August 14, 2025 between the Issuer and U.S. Bank, National Association (the "Indenture") has been made under my supervision.

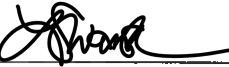
(b) To the best of my knowledge, based on such review, the Issuer has fulfilled all of its obligations under the Indenture in all material respects during the Annual Compliance Period other than:

(i) NONE  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(c) The attached Issuer's Checklist - Annual Statement as to Compliance reflects some of the matters I reviewed to complete this Annual Statement of Compliance.

Date: March 31, 2026

TEXAS ELECTRIC MARKET STABILIZATION FUNDING M, LLC,  
a Delaware limited liability company

By:   
\_\_\_\_\_  
Name: Leslie Swanson  
Title: Vice President and Treasurer

### ISSUER'S CHECKLIST – ANNUAL STATEMENT AS TO COMPLIANCE

Section 3.09. Annual Statement as to Compliance. The Issuer will deliver to the Indenture Trustee not later than March 31 of each year (commencing with March 31, 2026), an Officer's Certificate stating, as to the Responsible Officer signing such Officer's Certificate, that:

(a) a review of the activities of the Issuer during the preceding twelve (12) months ended December 31 (or, in the case of the first such Officer's Certificate, since the Closing Date) and of performance under this Indenture has been made; and

(b) to the best of such Responsible Officer's knowledge, based on such review, the Issuer has in all material respects complied with all conditions and covenants under this Indenture throughout such twelve-month period (or such shorter period in the case of the first such Officer's Certificate), or, if there has been a default in the compliance of any such condition or covenant, specifying each such default known to such Responsible Officer and the nature and status thereof.

Section	Provision	Status	Notes
3.01	The principal of and premium, if any, and interest on the Texas Stabilization M Bonds has been duly and punctually paid by the Issuer, or the Servicer on behalf of the Issuer, in accordance with the terms of the Texas Stabilization M Bonds and this Indenture.	✓	
3.02	The Issuer has maintained an office where the bonds may be surrendered for registration of transfer or exchange. If the location has changed, the Issuer has provided the Trustee with prompt notice.	✓	
3.03	Each Paying Agent (presently the Indenture Trustee) shall meet the eligibility criteria set forth for any Indenture Trustee under Section 6.11 and has executed an agreement pursuant to Section 3.03 of the Indenture	✓	
3.04	The Issuer has kept in full effect its existence, rights and franchises as a limited liability company under the laws of the State of Delaware and obtained and preserved its qualifications to do business in each jurisdiction necessary to protect enforceability of transaction documents and collateral.	✓	See Exhibit A – Certificate of Good Standing (Delaware) See also Exhibit B – Certificate of Fact (Texas)
3.05	The Issuer has executed and delivered all amendments and filings, and taken other action necessary to preserve, protect, and perfect the security interest.	✓	See Exhibit C – Financing Statement (Delaware) See also Exhibit D – Financing Statement (Texas)
3.06(a)	At closing, the Issuer furnished to Trustee an opinion as to the Texas Stabilization M Bond Collateral.	✓	Completed at closing.
3.06(b)	Within 90 days after the beginning of each calendar year beginning with the calendar year beginning January 1, 2022, the Issuer will furnish to Trustee an opinion as to the Texas Stabilization M Bond Collateral.	✓	See Exhibit E – Perfection Opinion.
3.06(c)	If there has been an amendment to the Servicing Agreement or Sale Agreement, the Issuer furnished to Trustee an opinion as to the Texas Stabilization M Bond Collateral.	N/A	

Section	Provision	Status	Notes
3.07(a)	The Issuer has diligently pursued any and all actions to enforce its rights under each of the transaction documents included in the Texas Stabilization M Bond Collateral and has not taken any action and has used its best efforts not to permit any action to be taken by others that would release any Person from any of such Person's covenants or obligations under any of the transaction documents.	✓	
3.07(b)	The Issuer has contracted with the Servicer to assist the Issuer in performing its duties under this Indenture	✓	See Servicing Agreement.
3.07(c)	The Issuer shall punctually perform and observe all of its obligations and agreements contained in the transaction documents.	✓	
3.07(d)	If the Issuer has knowledge of the occurrence of a Servicer Default under the Servicing Agreement, the Issuer promptly gave written notice thereof to the Indenture Trustee and the Rating Agencies (if applicable) in accordance with the Indenture.	N/A	
3.07(e)- (f)	If the Servicer has been terminated, the Issuer has complied with the process and requirements of the Indenture regarding notice and replacement.	N/A	
3.07(g)	To the extent it is a Requirement of Law, the Issuer shall (or shall cause the Depositor to) post on its website for investors certain information listed in the Indenture	N/A	
3.07(h)	The Issuer has made all filings required under the Securitization Law	N/A	
3.07(i)	The Issuer has at all times maintain its Required Capital.	✓	The Issuer has maintained the Required Capital of \$4,000,000.
3.08(a)	The Issuer may not except as expressly permitted by this Indenture and the other Basic Documents, sell, transfer, exchange or otherwise dispose of any of the properties or assets of the Issuer.	✓	
3.08(b)	The Issuer has not claimed any credit on, or made any deduction from the principal or premium, if any, or interest payable in respect of, the Texas Stabilization M Bonds (other than amounts properly withheld from such payments under the Code or other tax laws) or asserted any claim against any present or former Holder by reason of the payment of the taxes levied or assessed upon any part of the Texas Stabilization M Bond Collateral.	✓	
3.08(c)	The Issuer has not terminated existence or dissolve or liquidate in whole or in part, except in a transaction permitted by Section 3.10.	✓	See Exhibit A – Certificate of Good Standing (Delaware) See also Exhibit B – Certificate of Fact (Texas)

Section	Provision	Status	Notes
3.08(d)	The Issuer has not (A) permitted the validity or effectiveness of the transaction documents to be impaired, or permitted the Lien of this Indenture and the Series Supplement to be amended, hypothecated, subordinated, terminated or discharged, or permitted any Person to be released from any covenants or obligations with respect to the Texas Stabilization M Bonds under this Indenture except as expressly permitted hereby, (B) permitted any Lien (other than the Lien of this Indenture or the Series Supplement) to be created on or extended to or otherwise arise upon or burden the Texas Stabilization M Bond Collateral or any part thereof or any interest therein or the proceeds thereof (other than tax liens arising by operation of law with respect to amounts not yet due) or (C) permitted the Lien of the Series Supplement not to constitute a valid first priority perfected security interest in the Texas Stabilization M Bond Collateral.	✓	
3.08(e)	The Issuer has not entered into any swap, hedge or similar financial instrument.	✓	
3.08(f)	The Issuer has not elected to be classified as an association taxable as a corporation for federal income tax purposes or otherwise taken any action, filed any tax return, or made any election inconsistent with the treatment of the Issuer, for purposes of federal taxes and, to the extent consistent with applicable State tax law, State income and franchise tax purposes, as a disregarded entity that is not separate from the sole owner of the Issuer.	✓	
3.08(g)	The Issuer has not changed its name, identity or structure or the location of its chief executive office, unless at least ten (10) Business Days prior to the effective date of any such change the Issuer delivered to the Indenture Trustee such documents, instruments or agreements, executed by the Issuer, as necessary to reflect such change and to continue the perfection of the security interest.	✓	
3.08(h)	The Issuer has not issued any debt obligations under the Securitization Law or any similar law (other than the Texas Stabilization M Bonds).	✓	
3.08(i)	The Issuer has not when and if applicable, taken any action which is subject to a Rating Agency Condition without satisfying the Rating Agency Condition (when and if applicable).	N/A	
3.09	The Issuer has delivered to the Trustee, not later than March 31, an Annual Statement as to Compliance.	✓	
3.10(a)	The Issuer has not consolidated or merged with or into any other Person, unless as permitted by the Indenture.	✓	

Section	Provision	Status	Notes
3.10(b)	The Issuer has not sold, conveyed, exchanged, transferred or disposed of any of its properties or assets except as specifically permitted by the Indenture.	✓	
3.11(a)	Upon any consolidation or merger of the, the Person formed by or surviving such consolidation or merger (if other than the Issuer) has succeeded to, and been substituted for, and may exercise every right and power of, the Issuer under the Indenture with the same effect as if such Person had been named as the Issuer.	N/A	
3.11(b)	Except as set forth in Section 6.07 of the Indenture, upon a sale, conveyance, exchange, transfer or other disposition of all the assets and properties of the Issuer, the Issuer has been released from every covenant and agreement of the Indenture and the other Basic Documents to be observed or performed on the part of the Issuer with respect to the Texas Stabilization M Bonds and the Default Property immediately following the consummation of such acquisition upon the delivery of written notice to the Trustee from the Person acquiring such assets and properties stating that the Issuer is to be so released.	N/A	
3.12	The Issuer has not engaged in any business other than financing, purchasing, owning and managing the Default Property and the other Texas Stabilization M Bond Collateral and the issuance of the Texas Stabilization M Bonds in the manner contemplated by the Debt Obligation Order and the transaction documents.	✓	
3.13	The Issuer has not issued, incurred, assumed, guaranteed or otherwise become liable, directly or indirectly, for any indebtedness except for the Texas Stabilization M Bonds and any other indebtedness expressly permitted by or arising under the transaction documents.	✓	
3.14	The Issuer has enforced the Servicer's compliance with and performance of all of the Servicer's material obligations under the Servicing Agreement	✓	
3.15	The Issuer has not made any loan or advanced or credited to, or guaranteed (directly or indirectly or by an instrument having the effect of assuring another's payment or performance on any obligation or capability of so doing or otherwise), endorsed or otherwise became contingently liable, directly or indirectly, in connection with the obligations, stocks or dividends of, or owned, purchased, repurchased or acquired (or agreed contingently to do so) any stock, obligations, assets or securities of, or any other interest in, or make any capital contribution to, any other Person.	✓	

Section	Provision	Status	Notes
3.16	Other than the purchase of Default Property from the Seller on the Closing Date, the Issuer has not made any expenditure (by long-term or operating lease or otherwise) for capital assets (either realty or personalty).	✓	
3.17	Except as provided in the Indenture, the Issuer has not, directly or indirectly, (a) paid any dividend or make any distribution (by reduction of capital or otherwise), whether in cash, property, securities or a combination thereof, to any owner of an interest in the Issuer or otherwise with respect to any ownership or equity interest or similar security in or of the Issuer, (b) redeemed, purchased, retired or otherwise acquired for value any such ownership or equity interest or similar security or (c) set aside or otherwise segregated any amounts for any such purpose. The Issuer has not, directly or indirectly, made payments to or distributions from the Collection Account except in accordance with the transaction documents.	✓	
3.18	The Issuer has given the Trustee and the Commission prompt written notice of each Default or Event of Default, and each default on the part of the Seller or the Servicer of its obligations under the Sale Agreement or the Servicing Agreement, respectively (if applicable).	N/A	
3.19	Upon request of the Trustee, the Issuer has executed and delivered such further instruments and completed such further acts as reasonably necessary or proper to carry out more effectively the purpose of the Indenture and to maintain the first priority perfected security interest of the Trustee in the Texas Stabilization M Bond Collateral	N/A	
3.20	Upon reasonable prior notice, the Issuer has permitted any representative of the Trustee to examine books of account, records, reports, and other papers of the Issuer in accordance with the Indenture.	N/A	
3.21(a)	The Issuer has taken all such lawful actions to enforce its rights under the Sale Agreement, the Servicing Agreement, and the Administration Agreement and to compel or secure the performance and observance by the Seller, the Servicer, the Administrator and ERCOT of each of their respective obligations to the Issuer under or in connection with the Sale Agreement, the Servicing Agreement, and the Administration Agreement in accordance with the terms thereof.	✓	

Section	Provision	Status	Notes
3.21(b)	If an Event of Default occurs and is continuing, the Trustee may, and at the direction (which direction shall be in writing) of Holders of a majority of the Outstanding Amount of the Texas Stabilization M Bonds of all Tranches affected thereby shall, exercise all rights, remedies, powers, privileges and claims of the Issuer against the Seller, ERCOT, the Administrator and the Servicer, as the case may be, under or in connection with the Sale Agreement, the Servicing Agreement, the Administration Agreement and including the right or power to take any action to compel or secure performance or observance by the Seller, ERCOT, the Administrator or the Servicer of each of their obligations to the Issuer thereunder and to give any consent, request, notice, direction, approval, extension or waiver under the Sale Agreement, the Servicing Agreement, the Administration Agreement and any right of the Issuer to take such action shall be suspended.	N/A	
3.21(c)-(d)	Any amendments, modifications, waivers, supplements, terminations or surrender or to the transaction documents or rights or obligations under the transaction documents have been made or completed in accordance with the transaction documents.	✓	
3.21(e)	Promptly following a default by the Seller under the Sale Agreement, by the Administrator under the Administration Agreement, by ERCOT or the occurrence of a Servicer Default under the Servicing Agreement, and at the Issuer's expense, the Issuer has taken all such lawful actions as the Indenture Trustee has requested to compel or secure the performance and observance by each of the Seller, ERCOT, the Administrator or the Servicer of their obligations under and in accordance with the Sale Agreement, the Servicing Agreement, the Administration Agreement and as the case may be.	N/A	
3.22	The Issuer has paid all taxes, assessments and governmental charges imposed upon it or any of its properties or assets or with respect to any of its franchises, business, income or property before any penalty accrues thereon if the failure to pay any such taxes, assessments and governmental charges would, after any applicable grace periods, notices or other similar requirements, result in a Lien on the Texas Stabilization M Bond Collateral, provided no good faith contest by the Issuer in accordance with the Indenture.	✓	
3.23	The Issuer is a special purpose entity and has complied with all of the requirements of Section 3.23.	✓	

**Exhibit List**

- Exhibit A – Certificate of Good Standing (Delaware)
- Exhibit B – Certificate of Fact (Texas)
- Exhibit C – Financing Statement (Delaware)
- Exhibit D – Financing Statement (Texas)
- Exhibit E – Perfection Opinion

**SERVICER'S CERTIFICATE OF COMPLIANCE**

The undersigned hereby certifies that he/she is the duly elected and acting Controller and Treasurer of ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC., a Texas non-profit corporation, as servicer (the "Servicer") under the Amended and Restated Default Property Servicing Agreement dated as of August 14, 2025 (the "Servicing Agreement") between the Servicer and TEXAS ELECTRIC MARKET STABILIZATION FUNDING M LLC, a Delaware limited liability company (the "Issuer"), and further that:

1. A review of the activities of the Servicer and of its performance under the Servicing Agreement for the period August 14, 2025 through December 31, 2025 has been made under the supervision of the undersigned pursuant to Section 3.03 of the Servicing Agreement; and
2. To the best of the undersigned's knowledge, based on such review, the Servicer has fulfilled all of its obligations in all material respects under the Servicing Agreement for the period August 14, 2025 through December 31, 2025 except as set forth on Annex A hereto.

Executed as March 31, 2026

ELECTRIC RELIABILITY COUNCIL OF  
TEXAS, INC.,  
as Servicer

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

Name: Leslie Swanson

Title: Controller & Treasurer

**ANNEX A**  
**LIST OF SERVICER DEFAULTS**

The following Servicer Defaults, or events which with the giving of notice, the lapse of time, or both, would become Servicer Defaults known to the undersigned occurred during the year ended December 31, 2025:

Nature of Default

Status

N/A

Exhibit A  
Certificate of Good Standing  
(Delaware)  
Follows

# Delaware

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The First State

I, CHARUNI PATIBANDA-SANCHEZ, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "TEXAS ELECTRIC MARKET STABILIZATION FUNDING M LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWELFTH DAY OF FEBRUARY, A.D. 2026.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "TEXAS ELECTRIC MARKET STABILIZATION FUNDING M LLC" WAS FORMED ON THE TWENTY-SEVENTH DAY OF OCTOBER, A.D. 2021.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN PAID TO DATE.



6282160 8300

SR# 20260560217

You may verify this certificate online at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

A handwritten signature in black ink, reading "C. P. Sanchez".

Charuni Patibanda-Sanchez, Secretary of State

Authentication: 203078722

Date: 02-12-26

Exhibit B  
Certificate of Fact (Texas)  
Follows



## Office of the Secretary of State

### Certificate of Fact

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Application for Registration for Texas Electric Market Stabilization Funding M LLC (file number 804310200), a DELAWARE, USA, Foreign Limited Liability Company (LLC), was filed in this office on November 04, 2021.

It is further certified that the entity status in Texas is in existence.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on February 12, 2026.



A handwritten signature in black ink that reads "Jane Nelson".

Jane Nelson  
Secretary of State

Exhibit C  
Financing Statement (Delaware)  
Follows



Date: 02/12/2026  
Reference: 47733-83  
Copies Requested: All Copies Excluding Lapsed Filings  
Copy Cost Limit:: \$100.00

Searched Through: 02/02/2026  
Subject: Texas Electric Market Stabilization Funding M LLC  
Jurisdiction: Secretary of State, DE  
Index Searched: Certified UCC/Federal Lien

FILE DATE	FILE #	TYPE OF FILING	SECURED PARTY
11/12/2021	20219189268	Financing Statement	U.S. BANK NATIONAL ASSOCIATION, AS INDENTURE TRUSTEE DALLAS, TX
03/29/2022	20222647733	Amendment	
08/12/2025	20255880957	Amendment	

SEE ATTACHED CERTIFIED OR OTHER SEARCH PERFORMED BY FILING OFFICE.

Capitol Services make no express or implied representation or warranty regarding search reports. All liability shall be limited to the amount of the fee paid for the report.

Capitol Services ★ PO Box 1831 ★ Austin, TX 78767 ★ (800) 345-4647



9-15927490\$

# Delaware

Page 1

The First State

## CERTIFICATE

SEARCHED FEBRUARY 12, 2026 AT 12:52 P.M.  
FOR DEBTOR, TEXAS ELECTRIC MARKET STABILIZATION FUNDING M LLC

1 OF 1 FINANCING STATEMENT 20219189268

EXPIRATION DATE: 11/12/2026

DEBTOR: TEXAS ELECTRIC MARKET STABILIZATION FUNDING M LLC

7620 METRO CENTER DRIVE ADDED 11-12-21

AUSTIN, TX US 78744 REMOVED 03-29-22

DEBTOR: TEXAS ELECTRIC MARKET STABILIZATION FUNDING M LLC

8000 METROPOLIS DRIVE (BUILDING E), ADDED 03-29-22

SUITE 100

AUSTIN, TX US 78744

SECURED: U.S. BANK NATIONAL ASSOCIATION, AS INDENTURE TRUSTEE

13737 NOEL ROAD, 8TH FLOOR ADDED 11-12-21

DALLAS, TX US 75240

## F I L I N G H I S T O R Y

20219189268 FILED 11-12-21 AT 5:46 P.M. FINANCING STATEMENT

20222647733 FILED 03-29-22 AT 5:53 P.M. AMENDMENT

20255880957 FILED 08-12-25 AT 10:59 A.M. AMENDMENT



*C. P. Sanchez*

Charuni Patibanda-Sanchez, Secretary of State

20265982120-UCC11

SR# 20260562104

You may verify this certificate online at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

Authentication: 203079816

Date: 02-12-26

# Delaware

Page 2

The First State

## END OF FILING HISTORY

THE UNDERSIGNED FILING OFFICER HEREBY CERTIFIES THAT THE ABOVE LISTING IS A RECORD OF ALL PRESENTLY EFFECTIVE FINANCING STATEMENTS, LAPSED FINANCING STATEMENTS, FEDERAL TAX LIENS AND UTILITY SECURITY INSTRUMENTS FILED IN THIS OFFICE WHICH NAME THE ABOVE DEBTOR, TEXAS ELECTRIC MARKET STABILIZATION FUNDING M LLC AS OF FEBRUARY 2, 2026 AT 11:59 P.M.



*C. P. Sanchez*

Charuni Patibanda-Sanchez, Secretary of State

20265982120-UCC11  
SR# 20260562104

Authentication: 203079816  
Date: 02-12-26

You may verify this certificate online at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

**UCC FINANCING STATEMENT**

FOLLOW INSTRUCTIONS

Delaware Department of State  
U.C.C. Filing Section  
Filed: 05:46 PM 11/12/2021  
U.C.C. Initial Filing No: 2021 9189268

Service Request No: 20213787195

A. NAME & PHONE OF CONTACT AT FILER (optional)  
**Sheila Melo, Paralegal (713) 650-2433**

B. E-MAIL CONTACT AT FILER (optional)  
**smelo@winstead.com**

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

**Winstead PC  
600 Travis Street, Suite 5200  
Houston, Texas 77002**

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name, do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here  and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME  
**TEXAS ELECTRIC MARKET STABILIZATION FUNDING M LLC**

OR

1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

1c. MAILING ADDRESS  
**7620 Metro Center Drive, Attn: General Counsel**

CITY <b>Austin</b>	STATE <b>TX</b>	POSTAL CODE <b>78744</b>	COUNTRY <b>USA</b>
-----------------------	--------------------	-----------------------------	-----------------------

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name, do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here  and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

2c. MAILING ADDRESS

CITY	STATE	POSTAL CODE	COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME  
**U.S. BANK NATIONAL ASSOCIATION, as Indenture Trustee**

OR

3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

3c. MAILING ADDRESS  
**13737 Noel Road, 8th Floor**

CITY <b>Dallas</b>	STATE <b>TX</b>	POSTAL CODE <b>75240</b>	COUNTRY <b>USA</b>
-----------------------	--------------------	-----------------------------	-----------------------

4. COLLATERAL: This financing statement covers the following collateral:

**All assets of the Debtor, whether now owned or hereafter acquired or arising, wheresoever located, together with all proceeds thereof.**

5. Check only if applicable and check only one box: Collateral is  held in a Trust (see UCC1Ad, item 17 and Instructions)  being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:  
 Public-Finance Transaction  Manufactured-Home Transaction  A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box:  
 Agricultural Lien  Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable):  Lessee/Lessor  Consignee/Consignor  Seller/Buyer  Bailee/Bailor  Licensee/Licenseor

8. OPTIONAL FILER REFERENCE DATA:  
**DE Secretary of State (47733-83) Doc No. 4891-7599-7442**

# UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) <b>Angie Garcia</b>
B. E-MAIL CONTACT AT FILER (optional) <b>agarcia@winstead.com</b>
C. SEND ACKNOWLEDGMENT TO: (Name and Address) <b>Angie Garcia Winstead PC 600 Travis, Suite 5200 Houston TX 77002</b>

Delaware Department of State  
U.C.C. Filing Section  
Filed: 05:53 PM 03/29/2022  
U.C.C. Initial Filing No: 2021 9189268  
Amendment No: 2022 2647733  
Service Request No: 20221219585

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER  
**20219189268 (Filed 11/12/2021)**

1b.  This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS  
Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13

2.  TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party authorizing this Termination Statement

3.  ASSIGNMENT (full or partial): Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9  
For partial assignment, complete items 7 and 9 and also indicate affected collateral in item 8

4.  CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5.  PARTY INFORMATION CHANGE:

Check one of these two boxes:

AND Check one of these three boxes to:

This Change affects  Debtor or  Secured Party of record  CHANGE name and/or address: Complete item 6a or 6b; and item 7a or 7b and item 7c  ADD name: Complete item 7a or 7b, and item 7c  DELETE name: Give record name to be deleted in item 6a or 6b

6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME <b>TEXAS ELECTRIC MARKET STABILIZATION FUNDING M LLC</b>				
OR	6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME <b>TEXAS ELECTRIC MARKET STABILIZATION FUNDING M LLC</b>			
OR	7b. INDIVIDUAL'S SURNAME		
	INDIVIDUAL'S FIRST PERSONAL NAME		
	INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S)		
			SUFFIX

7c. MAILING ADDRESS <b>8000 Metropolis Drive (Building E), Suite 100</b>	CITY <b>Austin</b>	STATE <b>TX</b>	POSTAL CODE <b>78744</b>	COUNTRY <b>USA</b>
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8.  COLLATERAL CHANGE: Also check one of these four boxes:  ADD collateral  DELETE collateral  RESTATE covered collateral  ASSIGN collateral  
Indicate collateral:

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT: Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)

If this is an Amendment authorized by a DEBTOR, check here  and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME <b>U.S. BANK NATIONAL ASSOCIATION, as Indenture Trustee</b>				
OR	9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

10. OPTIONAL FILER REFERENCE DATA:  
**DE SOS (47733-83) - Debtor address change**

**UCC FINANCING STATEMENT AMENDMENT**  
FOLLOW INSTRUCTIONS

Delaware Department of State  
U.C.C. Filing Section  
Filed: 10:59 AM 08/12/2025  
U.C.C. Initial Filing No: 2021 9189268  
Amendment No: 2025 5880957  
Service Request No: 20253642380

A. NAME & PHONE OF CONTACT AT SUBMITTER (optional)  
**Angie Garcia, Paralegal (713) 650-2463**

B. E-MAIL CONTACT AT SUBMITTER (optional)  
**agarcia@winstead.com**

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

Winstead PC  
600 Travis Street, Suite 5200  
Houston, Texas 77002

SEE BELOW FOR SECURED PARTY CONTACT INFORMATION

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER  
**20219189268 (Filed 11/12/2021)**

1b  This FINANCING STATEMENT AMENDMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13.

2.  TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Part(y)(ies) authorizing this Termination Statement

3.  ASSIGNMENT: Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9. For partial assignment, complete items 7 and 9; check ASSIGN Collateral box in item 8 and describe the affected collateral in item 8

4.  CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5. PARTY INFORMATION CHANGE:

Check one of these two boxes:  Debtor or  Secured Party of record

AND Check one of these three boxes to:

CHANGE name and/or address: Complete item 6a or 6b; and item 7a or 7b and item 7c

ADD name: Complete item 7a or 7b, and item 7c

DELETE name: Give record name to be deleted in item 6a or 6b

6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME

OR

6b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
---------------------	-------------------------------	--------

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name, do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME

OR

7b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME	INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
----------------------------------	--	--------

7c. MAILING ADDRESS

CITY	STATE	POSTAL CODE	COUNTRY
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8. COLLATERAL CHANGE: Check only one box:  ADD collateral  DELETE collateral  RESTATE covered collateral  ASSIGN\* collateral

Indicate collateral: \*Check ASSIGN COLLATERAL only if the assignee's power to amend the record is limited to certain collateral and describe the collateral in Section 8

All assets of the Debtor, whether now owned or hereafter acquired or arising, wheresoever located, together with all proceeds thereof, including but not limited to, Default Property, including the right to collect Default Charges, proceeds thereof and other collateral relating to the Series 2025 Texas Stabilization M Bonds, all as more fully described on Exhibit A attached hereto and made a part hereof.

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT: Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment) If this is an Amendment authorized by a DEBTOR, check here  and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME  
**U.S. BANK NATIONAL ASSOCIATION, as Indenture Trustee**

OR

9b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
---------------------	-------------------------------	--------

10. OPTIONAL FILER REFERENCE DATA:  
**DE Secretary of State (67817-1) Doc No. 4936-3975-7142**

**EXHIBIT A TO  
UCC FINANCING STATEMENT**

**DEBTOR:**

Texas Electric Market Stabilization  
Funding M LLC  
8000 Metropolis Drive (Building E), Suite 100  
Austin, Texas 78744  
Attn: Chief Financial Officer

**SECURED PARTY:**

U.S. Bank National Association,  
as Indenture Trustee,  
190 S. LaSalle Street, 7th Floor  
Chicago, Illinois 60603

**COLLATERAL DESCRIPTION:**

All of the Debtor's right, title and interest (whether now owned or hereafter acquired or arising) in and to all assets of the Debtor, wheresoever located, together with all proceeds thereof, including but not limited to (a) the Default Property created under and pursuant to the Debt Obligation Order, and transferred by the Seller to the Issuer pursuant to the Sale Agreement (including, to the fullest extent permitted by law, the right to impose, collect and receive Default Charges, all revenues and collections, arising from the Default Charges authorized in the Debt Obligation Order and any contractual rights to collect such Default Charges from Wholesale Market Participants); (b) all Default Charges related to the Default Property; (c) the Sale Agreement and the Bill of Sale executed in connection therewith and all property and interests in property transferred under the Sale Agreement and the Bill of Sale with respect to the Default Property and the Series 2025 Bonds; (d) the Servicing Agreement, the Administration Agreement, the Intercreditor Agreement, and any subservicing, agency, administration or collection agreements executed in connection therewith, to the extent related to the foregoing Default Property and the Series 2025 Bonds; (e) the Collection Account, all subaccounts thereof and all amounts of cash, instruments, investment property or other assets on deposit therein or credited thereto from time to time and all Financial Assets and securities entitlements carried therein or credited thereto; (f) all rights to compel the Servicer to adjust the Default Charges in accordance with Section 39.606 of the Securitization Law and the Debt Obligation Order; (g) all present and future claims, demands, causes and choses in action in respect of any or all of the foregoing, whether such claims, demands, causes and choses in action constitute Default Property, accounts, general intangibles, instruments, contract rights, chattel paper or proceeds of such items or any other form of property; (h) all accounts, chattel paper, deposit accounts, documents, general intangibles, goods, instruments, investment property, letters of credit, letters-of-credit rights, money, commercial tort claims and supporting obligations related to the foregoing; and (i) all payments on or under, and all proceeds in respect of, any or all of the foregoing (collectively, the "Texas Stabilization M Bond Collateral"); it being understood that the following do not constitute Texas Stabilization M Bond Collateral: (i) cash that has been released following retirement of all Outstanding Series 2025 Bonds, and cash that has been released pursuant to Section 8.02(e)(xiv) of the Indenture, and (ii) amounts deposited with the Issuer on the Closing Date, for payment of costs of issuance with respect to the Series 2025 Bonds (together with any interest earnings thereon), it being understood that such amounts described in clauses (i) through (ii) above shall not be subject to Section 3.17 of the Indenture.

The following terms used herein shall have the following meanings:

"2021 Bill of Sale" means that certain Bill of Sale, dated as of November 12, 2021, by and between Electric Reliability Council of Texas, Inc., as Seller, and Issuer, as issuer.

"Administration Agreement" means the Administration Agreement, dated as of November 12, 2021, by and between ERCOT and the Issuer, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Affiliate" means, with respect to any specified Person, any other Person controlling or controlled by or under common control with such specified Person. For the purposes of this definition, "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Basic Documents" means the Indenture, the Administration Agreement, the Sale Agreement and the Bill of Sale, the Certificate of Formation, the LLC Agreement, the Servicing Agreement, the Intercreditor Agreement, the Series 2025 Bonds Series Supplement, the Letter of Representations, the Bond Purchase Agreement and all other documents and certificates delivered in connection therewith.

"Bill of Sale" means the 2021 Bill of Sale.

"Bond Purchase Agreement" means the Purchase Agreement, dated as of August 5, 2025, by and among ERCOT, the representatives of the several Initial Purchasers named therein and the Issuer, as the same may be amended, supplemented or modified from time to time.

"Book-Entry Form" means, with respect to any Texas Stabilization M Bond, that such Texas Stabilization M Bond is not certificated and the ownership and transfers thereof shall be made through book entries by a Clearing Agency as described in Section 2.11 of the Indenture and the Series Supplement pursuant to which such Texas Stabilization M Bond was issued.

"Book-Entry Texas Stabilization M Bonds" means any Texas Stabilization M Bonds issued in Book-Entry Form; provided, however, that after the occurrence of a condition whereupon book-entry registration and transfer are no longer permitted and Definitive Texas Stabilization M Bonds are to be issued to the Holder of such Texas Stabilization M Bonds, such Texas Stabilization M Bonds shall no longer be "Book-Entry Texas Stabilization M Bonds".

"Certificate of Formation" means the Certificate of Formation filed with the Secretary of State of the State of Delaware on October 27, 2021, pursuant to which the Issuer was formed.

"Clearing Agency" means an organization registered as a "clearing agency" pursuant to Section 17A of the Exchange Act.

"Closing Date" means August 14, 2025, the date on which the Series 2025 Bonds are to be originally issued in accordance with Section 2.10 of the Indenture and a Series 2025 Bonds Series Supplement.

"Collection Account" means the account established and maintained by the Indenture Trustee in accordance with Section 8.02(a) of the Indenture and any Subaccounts contained therein.

"Commission" means the Public Utility Commission of Texas, or any Governmental Authority succeeding to the duties of such agency.

"Corporate Trust Office" means the office of the Indenture Trustee or Securities Intermediary at which, at any particular time, its corporate trust business shall be administered, which office (for all purposes other than registration of transfer of Texas Stabilization M Bonds) as of the Closing Date is located at 190 S. LaSalle Street, 7th Floor, Chicago, IL 60603, Attention: Corporate Trust Services-TX Stabilization M

Bonds and for registration of transfers of Texas Stabilization M Bonds, the office as of the Closing Date is located at 111 E. Fillmore Avenue, St. Paul, Minnesota 55107, Attention: Bondholder Services, or at such other address as the Indenture Trustee or the Securities Intermediary may designate from time to time by notice to the Holders of Texas Stabilization M Bonds and the Issuer, or the principal corporate trust office of any successor trustee by like notice.

"CRRAH" means Congestion Revenue Rights account holders who are obligated to pay Default Charges.

"Debt Obligation Order" means the Final Debt Obligation Order dated October 14, 2021, issued by the Commission pursuant to the Securitization Law, Docket No. 52321 authorizing the creation of the Default Property.

"Default Charge Protocols" means the ERCOT Default Charge Protocols relating to the allocation, assessment and collection of Default Charges, as amended from time to time.

"Default Charges" means any default charges authorized by the Commission to be assessed and collected from a Wholesale Market Participant by ERCOT pursuant to the Securitization Law and the Debt Obligation Order, as more fully described in the Debt Obligation Order.

"Default Charges Collections" means Default Charges received by the Servicer to be remitted to the Collection Account.

"Default Property" means all default property pertaining to the Texas Stabilization M Bonds and created, sold, assigned, or pledged pursuant to the terms of the Indenture and the Basic Documents, as the same has been authorized to be created by the Commission pursuant to the Securitization Law and the Debt Obligation Order; including the right to impose, collect and receive the Default Charges. As used in the Basic Documents, the term "Default Property" when used with respect to ERCOT includes the contract rights of ERCOT that existed prior to the time that such rights were first transferred in connection with the issuance of the Texas Stabilization M Bonds, at which time they become Default Property in accordance with Section 39.608 of the Securitization Law.

"ERCOT" means the Electric Reliability Council of Texas, Inc. or any successor thereto.

"ERCOT Protocols" means the protocols, procedures and protocols adopted by ERCOT, including any attachments or exhibits referenced therein, as amended from time to time, including the Default Charge Protocols.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Exempt Customers" means, collectively, ICE NGX Canada Inc. and the City of Lubbock, acting through Lubbock Power & Light, or another market participant that reregisters as a clearinghouse.

"Final" means, with respect to the Debt Obligation Order, that the Debt Obligation Order has become final, is not being appealed and that the time for filing an appeal therefrom has expired.

"Financial Asset" means "financial asset" as set forth in Section 8.102(a)(9) of the TX UCC.

"Governmental Authority" means any nation or government, any federal, state, local or other political subdivision thereof and any court, administrative agency or other instrumentality or entity exercising executive, legislative, judicial, regulatory or administrative function of government.

"Holder" or "Bondholder" means the Person in whose name a Texas Stabilization M Bond is registered on the Texas Stabilization M Bond Register.

"Indenture" means the Amended and Restated Indenture, dated as of August 14, 2025, by and between the Issuer and U.S. Bank National Association, a national banking association, as Indenture Trustee and U.S. Bank National Association, a national banking association, as Securities Intermediary as originally executed and, as from time to time supplemented or amended by the Series Supplement or indentures supplemental thereto entered into pursuant to the applicable provisions of the Indenture, as so supplemented or amended, or both, and shall include the forms and terms of the Texas Stabilization M Bonds established thereunder.

"Indenture Trustee" means U.S. Bank National Association, a national banking association, as indenture trustee for the benefit of the Secured Parties, or any successor indenture trustee under the Indenture.

"Intercreditor Agreement" means the Amended and Restated Intercreditor Agreement dated as of August 14, 2025, by and among the Issuer, ERCOT, the Indenture Trustee, Texas Electric Market Stabilization Funding M, LLC, the indenture trustee with respect to the Texas Stabilization N Bonds issued by Texas Electric Market Stabilization Funding N, LLC as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Issuer" means Texas Electric Market Stabilization Funding M LLC, a Delaware limited liability company, named as such in the Indenture until a successor replaces it and, thereafter, means the successor and, for purposes of any provision contained in the Indenture and required by the TIA, each other obligor on the Texas Stabilization M Bonds.

"Member" has the meaning specified in the first paragraph of the LLC Agreement.

"Letter of Representations" means any applicable agreement between the Issuer and the applicable Clearing Agency, with respect to such Clearing Agency's rights and obligations (in its capacity as a Clearing Agency) with respect to any Book-Entry Texas Stabilization M Bonds, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"LLC Agreement" means the Second Amended and Restated Limited Liability Company Agreement of Texas Electric Market Stabilization Funding M LLC, dated as of August 14, 2025, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Manager" means each manager of the Issuer under the LLC Agreement.

"Outstanding" means, as of the date of determination, all Texas Stabilization M Bonds theretofore authenticated and delivered under the Indenture except:

- (a) Texas Stabilization M Bonds theretofore canceled by the Texas Stabilization M Bond Registrar or delivered to the Texas Stabilization M Bond Registrar for cancellation;
- (b) Texas Stabilization M Bonds or portions thereof the payment for which money in the necessary amount has been theretofore deposited with the Indenture Trustee or any Paying Agent in trust for the Holders of such Texas Stabilization M Bonds; and
- (c) Texas Stabilization M Bonds in exchange for or in lieu of other Texas Stabilization M Bonds which have been issued pursuant to the Indenture unless proof satisfactory to the

Indenture Trustee is presented that any such Texas Stabilization M Bonds are held by a Protected Purchaser;

provided that in determining whether the Holders of the requisite Outstanding Amount of the Texas Stabilization M Bonds or any Tranche thereof have given any request, demand, authorization, direction, notice, consent or waiver hereunder or under any Basic Document, Texas Stabilization M Bonds owned by the Issuer, any other obligor upon the Texas Stabilization M Bonds, the Member, the Seller, the Servicer or any Affiliate of any of the foregoing Persons shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Indenture Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Texas Stabilization M Bonds that a Responsible Officer of the Indenture Trustee actually knows to be so owned shall be so disregarded. Texas Stabilization M Bonds so owned that have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Indenture Trustee the pledgee's right so to act with respect to such Texas Stabilization M Bonds and that the pledgee is not the Issuer, any other obligor upon the Texas Stabilization M Bonds, the Member, the Seller, the Servicer or any Affiliate of any of the foregoing Persons.

"Outstanding Amount" means the aggregate principal amount of all Texas Stabilization M Bonds or, if the context requires, all Texas Stabilization M Bonds of a series or a Tranche, Outstanding at the date of determination.

"Paying Agent" means with respect to the Indenture, U.S. Bank National Association and any other Person appointed as a paying agent for the Texas Stabilization M Bonds pursuant to the Indenture.

"Person" means any individual, corporation, limited liability company, estate, partnership, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated organization or government or any agency or political subdivision thereof.

"Protected Purchaser" has the meaning specified in Section 8.303 of the TX UCC.

"QSE" means a qualified scheduling entity, as defined in the ERCOT Protocols.

"Responsible Officer" means with respect to (a) the Issuer, any Manager or any duly authorized officer; (b) the Indenture Trustee and Securities Intermediary, any officer within the Corporate Trust Office of such trustee or securities intermediary (including the President, any Vice President, Assistant Vice President, Secretary or Assistant Treasurer, Trust Officer, Assistant Trust Officer or any other officer of the Indenture Trustee or Securities Intermediary customarily performing functions similar to those performed by persons who at the time shall be such officers, respectively who at such time shall be such officers) and also means with respect to a particular corporate trust matter relating to the Indenture, any other officer to whom such matter is referred because of his or her knowledge of and familiarity with the particular subject, and who, in each case, has direct responsibility for the administration of the Indenture and also, with respect to a particular matter, any other officer to whom such matter is referred to because of such officer's knowledge and familiarity with the particular subject; (c) any corporation (other than the Indenture Trustee), the Chief Executive Officer, the President, any Vice President, the Chief Financial Officer, the Treasurer, the Assistant Treasurer or any other duly authorized officer of such Person who has been authorized to act in the circumstances; (d) any partnership, any general partner thereof; and (e) any other Person (other than an individual or the Indenture Trustee), any duly authorized officer or member of such Person, as the context may require, who is authorized to act in matters relating to such Person.

"Sale Agreement" means the Default Property Purchase and Sale Agreement, dated as of November 12, 2021, by and between ERCOT and the Issuer, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Securities Intermediary" means U.S. Bank National Association, a national banking association, solely in the capacity of a "securities intermediary" as defined in the TX UCC and Federal Book-Entry Regulations or any successor securities intermediary under the Indenture.

"Secured Parties" means the Indenture Trustee, the Bondholders and any credit enhancer described in the Series Supplement.

"Securitization Law" means Subchapter M of Chapter 39 of the Texas Utilities Code, §§ 39.601 – 39.609, as amended from time to time.

"Seller" means ERCOT, as Seller under the Sale Agreement.

"Series 2025 Bonds" means the Issuer's Texas Stabilization M Bonds authorized and issued pursuant to the Series 2025 Issuer Order as more fully described in the Series 2025 Bonds Series Supplement.

"Series 2025 Bonds Series Supplement" means the Series Supplement relating to the Series 2025 Bonds, attached to the Indenture as Exhibit B.

"Series 2025 Issuer Order" means the Issuer Order adopted by the Issuer on August 14, 2025, authorizing the issuance of the Series 2025 Bonds.

"Series Supplement" means any indenture supplemental to the Indenture in the form attached as Exhibit B to the Indenture, authorizing the issuance of Texas Stabilization M Bonds.

"Servicer" means ERCOT, as Servicer under the Servicing Agreement, or any successor Servicer to the extent permitted under the Servicing Agreement.

"Servicing Agreement" means the Amended and Restated Default Property Servicing Agreement, dated as of August 14, 2025, by and between the Issuer and ERCOT, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Texas Stabilization M Bond Register" means the register maintained pursuant to Section 2.05 of the Indenture, providing for the registration of the Texas Stabilization M Bonds and transfers and exchanges thereof.

"Texas Stabilization M Bond Registrar" means the registrar at any time of the Texas Stabilization M Bond Register, appointed pursuant to Section 2.05 of the Indenture.

"Texas Stabilization M Bonds" means the Texas Stabilization M Bonds authorized by the Debt Obligation Order and issued under the Indenture, including any refinancing thereof authorized by the Debt Obligation Order.

"TIA" means the Trust Indenture Act of 1939, as amended by the Trust Indenture Reform Act of 1990, as in force on the Closing Date, unless otherwise specifically provided.

"Tranche" means any one of the tranches of Texas Stabilization M Bonds.

"TX UCC" means the Uniform Commercial Code as in effect on the Closing Date, in the State of Texas.

"Wholesale Market Participants" means, collectively, CRRAHs and QSEs (other than Exempt Customers).

ALL CAPITALIZED TERMS USED HEREIN AND NOT DEFINED HEREIN SHALL HAVE THE MEANING ASCRIBED TO THEM IN THE INDENTURE.

Exhibit D  
Financing Statement (Texas)  
Follows



## Office of the Secretary of State

### Texas Uniform Commercial Code Debtor Search Certificate

Debtor Name Searched: Texas Electric Market Stabilization Funding M

Filing Number	Filing Type	Filing Date	Lapse Date
210050681023	Initial - Transition Property Notice (TPN1)	11/15/2021 08:00 AM	N/A
2200158182	Amendment - Party Information Change	03/29/2022 05:30 PM	N/A

Type	Name	Address	City	State	Zip	Country
Debtor	TEXAS ELECTRIC MARKET STABILIZATION FUNDING M LLC	7620 METRO CENTER DRIVE, ATTN: GENERAL COUNSEL	Austin	TX	78744	USA
Debtor	TEXAS ELECTRIC MARKET STABILIZATION FUNDING M LLC	8000 METROPOLIS DRIVE (BUILDING E), SUITE 100	Austin	TX	78744	USA
Secured Party	U.S. BANK NATIONAL ASSOCIATION, AS INDENTURE TRUSTEE	13737 NOEL ROAD, 8TH FLOOR	Dallas	TX	75240	USA

The undersigned, as Secretary of State, hereby certifies that the above is a listing of all available records now in my lawful custody and possession, as the same are filed in the Uniform Commercial Code Section of my office which name the above debtor as of February 12, 2026. My acceptance for filing and custody of these documents in no way confirms, denies, or implies validity, legal effect, or enforceability of the attached documents.



*Jane Nelson*

Jane Nelson  
Secretary of State

21-0050681023  
11/15/2021 08:00 AM


**TRANSITION PROPERTY NOTICE** — FOLLOW INSTRUCTIONS  
(front and back) CAREFULLY  
Except to the extent amended, assigned, or released, this  
Transition Property Notice remains effective until terminated.

**FILED**  
TEXAS  
SECRETARY OF STATE  
SOS  
1094246940010

**A. NAME & PHONE OF CONTACT AT FILER** [optional]  
**Sheila Melo, Paralegal (713) 650-2433**

**B. SEND ACKNOWLEDGMENT TO:** (Name and Address)

**Return Acknowledgement to:**

 **CAPITOL SERVICES**

Capitol Services, Inc.  
PO Box 1831  
Austin, TX 78767  
800.345.4647

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

**1. GRANTOR OR ASSIGNOR'S EXACT FULL LEGAL NAME** - insert only one name (1a or 1b) - do not abbreviate or combine names

**1a. ORGANIZATION'S NAME**  
**TEXAS ELECTRIC MARKET STABILIZATION FUNDING M LLC**

OR

<b>1b. INDIVIDUAL'S LAST NAME</b>	<b>FIRST NAME</b>	<b>MIDDLE NAME</b>	<b>SUFFIX</b>

**1c. MAILING ADDRESS**

<b>7620 Metro Center Drive, Attn: General Counsel</b>	<b>CITY</b> <b>Austin</b>	<b>STATE</b> <b>TX</b>	<b>POSTAL CODE</b> <b>78744</b>	<b>COUNTRY</b> <b>USA</b>
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**2. FINANCING PARTY OR ASSIGNEE'S NAME** - insert only one name (2a or 2b) - do not abbreviate or combine names

**2a. ORGANIZATION'S NAME**  
**U.S. BANK NATIONAL ASSOCIATION, as Indenture Trustee**

OR

<b>2b. INDIVIDUAL'S LAST NAME</b>	<b>FIRST NAME</b>	<b>MIDDLE NAME</b>	<b>SUFFIX</b>

**2c. MAILING ADDRESS**

<b>13737 Noel Road, 8th Floor</b>	<b>CITY</b> <b>Dallas</b>	<b>STATE</b> <b>TX</b>	<b>POSTAL CODE</b> <b>75240</b>	<b>COUNTRY</b> <b>USA</b>
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**3. TRANSFEREE'S NAME** - insert only one name (3a or 3b) - do not abbreviate or combine names

**3a. ORGANIZATION'S NAME**

OR

<b>3b. INDIVIDUAL'S LAST NAME</b>	<b>FIRST NAME</b>	<b>MIDDLE NAME</b>	<b>SUFFIX</b>

**3c. MAILING ADDRESS**

	<b>CITY</b>	<b>STATE</b>	<b>POSTAL CODE</b>	<b>COUNTRY</b>

**4. Check only one box:**

This TRANSITION PROPERTY NOTICE relates to all of the recovery permitted under the Financing Order and the amount of Transition Property arising therefrom.

This TRANSITION PROPERTY NOTICE relates to only a portion of the recovery permitted under the Financing Order. The portion or the amount thereof to which the Transition Property Notice relates is set forth below:

**5. FINANCING ORDER DOCKET NUMBER**  
**52321**

**6. Check only one box:**

This Transition Property Notice is filed to perfect a Security Interest in Transition Property.

This Transition Property Notice is filed to give notice of a Transfer of an interest in Transition Property to an Assignee.

**7. CHECK BOX**  This TRANSITION PROPERTY NOTICE is signed by the Financing Party or Assignee in accordance with a security agreement or an agreement effecting a transfer signed by the Grantor or Assignor that authorizes the filing of a Transition Property Notice by the Financing Party or Assignee.  
(if applicable)

**8. REQUIRED SIGNATURE(S)**  
**Texas Electric Market Stabilization Funding M LLC**

By:  Name: Sean Taylor Title: Vice President and Chief Financial Officer

Office of the Secretary of State of Texas

**UCC FINANCING STATEMENT AMENDMENT**

**FOLLOW INSTRUCTIONS**

<b>A. NAME &amp; PHONE OF CONTACT AT FILER (optional)</b> WINSTEAD PC 713-650-2463
<b>B. E-MAIL CONTACT AT FILER (optional)</b>
<b>C. SEND ACKNOWLEDGMENT TO: (Name and Address)</b> WINSTEAD PC 401 Congress Avenue Suite 2100 Austin, TX 78701 USA

**FILING NUMBER: 22-00158182**  
**FILING DATE: 03/29/2022 05:30 PM**  
**DOCUMENT NUMBER: 1134508500007**  
**FILED: Texas Secretary of State**  
**IMAGE GENERATED ELECTRONICALLY FOR WEB FILING**  
**THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY**

1a. INITIAL FINANCING STATEMENT FILE NUMBER  
**21-0050681023**

1b.  This FINANCING STATEMENT AMENDMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13

2.  **TERMINATION:** Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of the Secured Party authorizing this Termination Statement

3.  **ASSIGNMENT** (full or partial) Provide name of Assignee in item 7a or 7b and address of Assignee in item 7c and also name of Assignor in item 9  
 For partial assignment, complete item 7 and 9 and also indicate affected collateral in item 8

4.  **CONTINUATION:** Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5.  **PARTY INFORMATION CHANGE:**  
 Check one of these two boxes. This Change affects  Debtor or  Secured Party of record. AND Check one of these three boxes to:

CHANGE name and/or address: Complete item 6a or 6b; and item 7a or 7b and item 7c  
 ADD name: Complete item 7a or 7b, and item 7c  
 DELETE name: Give record name to be deleted in item 6a or 6b.

6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME <b>TEXAS ELECTRIC MARKET STABILIZATION FUNDING M LLC</b>	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
OR 6b. INDIVIDUAL'S SURNAME			

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME <b>TEXAS ELECTRIC MARKET STABILIZATION FUNDING M LLC</b>	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
OR 7b. INDIVIDUAL'S SURNAME			

7c. MAILING ADDRESS

<b>8000 METROPOLIS DRIVE (BUILDING E), SUITE 100</b>	CITY <b>Austin</b>	STATE <b>TX</b>	POSTAL CODE <b>78744</b>	COUNTRY <b>USA</b>
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8.  **COLLATERAL CHANGE:** Also check one of these four boxes  ADD collateral  DELETE collateral  RESTATE covered collateral  ASSIGN collateral  
 Indicate collateral

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT: Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)

If this is an Amendment authorized by a DEBTOR, check here  and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME <b>U.S. BANK NATIONAL ASSOCIATION, AS INDENTURE TRUSTEE</b>	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
OR 9b. INDIVIDUAL'S SURNAME			

10. OPTIONAL FILER REFERENCE DATA:

**TX SOS 47733-83 Initial Filing 21-0050681023 Debtor addr change**

FILING OFFICE COPY

Exhibit E  
Perfection Opinion  
Follows

600 Travis Street  
Suite 5200  
Houston, TX 77002

713.650.8400 OFFICE  
713.650.2400 FAX  
winstead.com

March 17, 2026

TO THE ADDRESSEES LISTED ON SCHEDULE I HERETO

Re: Texas Electric Market Stabilization Funding M LLC (the "**Issuer**")  
Issuance and Sale of \$379,100,000 Principal Amount of Texas Stabilization M  
Bonds, Series 2025 due 2051 (the "**Bonds**") - Annual Perfection Opinion

Ladies and Gentlemen:

This opinion letter is furnished to you at the instruction of the Issuer and Servicer to fulfill the requirements of (i) Section 3.06(b) of the Amended and Restated Indenture (herein so-called) between the Issuer and U.S. Bank National Association, as Indenture Trustee and Securities Intermediary dated as of August 14, 2025, which relate to the Texas Electric Market Stabilization Funding M LLC, Texas Stabilization M Bonds Series 2025 and (ii) Section 3.01(c)(ii) of the Amended and Restated Servicing Agreement (herein so called) between the Issuer and Energy Reliability Council of Texas ("**ERCOT**") dated August 14, 2025 (herein, Section 3.06(b) of the Amended and Restated Indenture and Section 3.01(c)(ii) of the Amended and Restated Servicing Agreement are referred to as the "**Continuing Perfection Provisions**"). Capitalized terms used in this opinion letter and not defined herein are defined in the Amended and Restated Indenture.

In issuing this opinion, we have read the Continuing Perfection Provisions and have examined such originals, or copies certified or otherwise identified to our satisfaction, of such documents, corporate records and other instruments as we have deemed necessary or appropriate for the purposes of our opinion, including: (i) the Issuer's Certificate of Formation (the "**Certificate of Formation**"); (ii) the Issuer's Second Amended and Restated Limited Liability Company Agreement (the "**Company Agreement**"); (iii) Good Standing Certificate issued on February 12, 2026 by the Secretary of State of the state of Delaware with respect to the Issuer; (iv) Certificate of Fact issued by the Secretary of State of the state of Texas issued February 12, 2026 with respect to the Issuer; (v) Franchise Tax Account Status issued by the Secretary of State of the state of Texas issued February 12, 2026 with respect to the Issuer; (vi) the Servicer's Amended and Restated Certificate of Formation dated January 31, 2019 (the "**Servicer's Amended and Restated Certificate of Formation**"); (vii) the Servicer's Amended and Restated Bylaws effective October

12, 2021 (the "*Servicer's Amended and Restated Bylaws*"); and (viii) UCC Searches (Y) performed on February 12, 2026 by the Secretary of State of the state of Delaware; and (Z) performed on February 12, 2026 by the Secretary of State of the state of Texas with respect to the Issuer. We have also made such further legal and factual examinations and investigations as we deemed necessary for the purpose of expressing the opinions set forth herein. As to questions of fact material to such opinions, we have, where relevant facts were not independently verified or established, relied to the extent we deemed necessary upon certificates of and discussions with directors, officers and representatives of the Issuer. In rendering the opinions hereinafter expressed, we have, with your consent, relied only upon our examination of the foregoing documents, entity records and other instruments, and we have made no independent verification of the factual matters set forth in such documents, entity records or other instruments. In our view, the foregoing examinations are sufficient to allow us to express informed opinions in accordance with the Continuing Perfection Provisions.

For the purposes of expressing the opinions hereinafter set forth, we have assumed that the obligations evidenced by the Indenture and Bonds remain outstanding.

A. Action Taken to Maintain Perfection. Based upon the foregoing, we are of the opinion that no action is required to be taken under the Continuing Perfection Provisions to maintain and perfect the Liens and security interests required by the Indenture and the Series Supplement.

B. Action Required Over the Next 12 Months to Maintain Perfection. Based upon the information currently available to us, no additional recordings, filings, re-recordings, or re-filings are necessary or required within the twelve (12) months following the date of this Opinion to maintain the Lien and security interest created by the Indenture and the Series Supplement and to maintain and perfect the Lien and security interest required by the Indenture and the Series Supplement. In that regard, we note that the Liens are either perfected by possession or by filing and where perfected by filing, no continuation statement is required to be filed until a six-month window opens in May of 2026<sup>1</sup>. A continuation statement will need to be filed during that six-month window if the Bonds then remain outstanding.

With your permission, and without independent investigation on our part, the opinions set forth above are subject to the assumptions, qualifications, exceptions, and limitations set forth in our Opinion dated August 14, 2025, rendered in your favor in connection with issuance and purchase of the Bonds, *mutatis mutandis*, and in the following paragraphs (i), (ii) and (iii), inclusive:

(i) With respect to our opinion set forth in paragraph A above, we have relied on the Issuer's Certificate of Formation and Company Agreement as the basis for determining that (i) Texas Electric Market Stabilization Funding M LLC is the correct legal name of the Issuer, and (ii) the Issuer is organized under the laws of the state of Delaware.

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<sup>1</sup> The Financing Statement perfecting the lien in non-possessory collateral is that filed in connection with the Series 2021 Texas Stabilization M Bonds as that is the same non-possessory collateral securing the Series 2025 Texas Stabilization M Bonds.

To the Addressees Listed on Schedule I Attached Hereto

March 17, 2026

Page 3

With respect to our opinion set forth in paragraph A above, we have relied on the Servicer's Amended and Restated Certificate of Formation and Amended and Restated Bylaws as the basis for determining that (i) Electric Reliability Council of Texas, Inc. is the correct legal name of the Servicer, and (ii) the Servicer is organized under the laws of the state of Texas.

(ii) The opinions in paragraph A above as they relate to the Issuer are limited in all respects to the Delaware General Corporation Law and the Delaware Limited Liability Company Act (as published in the Corporation Service Company compilation entitled *Laws Governing Business Entities Annotated Statutes and Rules* (Spring 2021 Edition) (the "*DE Entity Laws*"). We are not Delaware lawyers and have not reviewed any other laws of the State of Delaware (other than the DE Entity Laws and Delaware UCC) including, without limitation, any interpretations of Delaware laws, or retained or relied on any opinion or advice of Delaware counsel.

(iii) With respect to our opinions set forth in paragraphs A and B above, we express no opinion as to the priority of any Lien or security interest.

As used herein, the term "applicable laws" means and refers to the DE Entity Laws, the Delaware UCC, and those laws of the State of Texas and the United States of America and the rules and regulations adopted thereunder that, in our experience, are normally applicable to general business entities and to transactions of the type contemplated by the Indenture and the Series Supplement. Furthermore, the term "applicable laws" does not include, and we express no opinion with regard to any state or federal laws, rules or regulations relating to: (i) pollution or protection of the environment; (ii) zoning, land use, building or construction; (iii) occupational, safety and health or other similar matters; (iv) labor and employee rights and benefits, including, without limitation, the Employee Retirement Income Security Act of 1974, as amended; (v) the regulation of energy or utilities; (vi) antitrust and trade regulation; (vii) tax; (viii) corrupt practices, including, without limitation, the Foreign Corrupt Practices Act of 1977; (ix) copyrights, patents and trademarks; (x) communication, telecommunication or similar matters; (xi) the USA Patriot Act of 2001 and the rules, regulations and policies promulgated thereunder, or any foreign assets control regulations of the United States Treasury Department or any enabling legislation or orders relating thereto; and (xiii) the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, including, but not limited to Regulation AB and Regulation RR, or other the regulations promulgated thereunder.

Our opinions herein are limited in all respects to the applicable laws, and we do not express any opinion as to the applicability of or the effect thereon of the laws of any other jurisdiction.

The qualification of any opinion or statement herein by the use of the words "to our knowledge" or "known to us" means that during the course of our representation as described in this opinion letter, no information has come to the attention of those attorneys in our Firm who have actively participated in this representation that would give us current actual knowledge of the existence of the facts so qualified. Except as set forth herein, we have not undertaken any investigation to determine the existence of such facts, and no inference as to our knowledge thereof shall be drawn from the fact of our representation of any party or otherwise.

To the Addressees Listed on Schedule I Attached Hereto  
March 17, 2026  
Page 4

This opinion letter (i) has been furnished to you at your request, and is rendered solely for your information and assistance in connection with the Indenture and the Series Supplement, and may not be used or relied upon by you for any other purpose and may not be used or relied upon for any purpose by any other person without our prior written consent, (ii) except for the use permitted herein, is not to be quoted or reproduced in whole or in part or otherwise referred to in any manner nor is it to be filed with any governmental agency or delivered to any other person without our prior written consent, (iii) is rendered as of the date hereof, and we undertake no, and hereby disclaim any, obligation to advise you of any changes or any new developments which might affect any matters or opinions set forth herein, and (iv) is limited to the matters stated herein and no opinions may be inferred or implied beyond the matters expressly stated herein.

Very truly yours,

*/s/ Winstead PC*

WINSTEAD PC