

## ISSUING AND PAYING AGENT AGREEMENT

This Issuing and Paying Agent Agreement (this "Agreement"), dated as of September 1, 2014, is entered into by and between the City of Austin, Texas (the "City" or the "Issuer") and U.S. Bank National Association (the "Issuing and Paying Agent") in connection with the issuance and payment of the Commercial Paper Notes defined below.

### WITNESSETH:

WHEREAS, on August 28, 2014, the City Council of the Issuer adopted an amended and restated ordinance (the "Note Ordinance") which authorized the issuance of its Combined Utility Systems Taxable Commercial Paper Notes (the "Commercial Paper Notes") pursuant to the provisions of Chapter 1371, Texas Government Code, which is referred to herein as the "Act", to provide interim financing for additions, improvements and extensions to the City's electric light and power system and the City's waterworks and sewer system, in an aggregate principal amount not to exceed \$50,000,000 at any one time outstanding; and

WHEREAS, the Issuer hereby requests the Issuing and Paying Agent to act, on the terms and conditions specified herein, as issuing and paying agent on behalf of purchasers of the Commercial Paper Notes which the Issuer shall from time to time deliver or cause to be delivered to the Issuing and Paying Agent pursuant to the Authorizing Acts (as defined below) and the Note Ordinance; and

WHEREAS, in connection with the issuance and sale of the Commercial Paper Notes under the authority of the Note Ordinance, (i) Goldman, Sachs & Co. acts as the dealer for the City, (ii) the Issuing and Paying Agent has agreed to serve in such capacity on behalf of the City, and (iii) in such capacity, the Issuing and Paying Agent as agreed to undertake certain obligations to make payments in respect of Commercial Paper Notes and in respect of the repayment of "Advances" made to the City by the provider of the credit facility (the "Credit Agreement") as authorized to be executed by the Note Ordinance; and

WHEREAS, the Issuing and Paying Agent is willing to act as issuing and paying agent upon the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and intending to be legally bound hereby, the parties agree as follows:

1. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings given them in the Note Ordinance or the Credit Agreement. As used herein the following terms shall have the meanings assigned.

"Account" means the note payment account of the issuer maintained at, and on the records of, the Issuing and Paying Agent pursuant to the provisions of Section 5 hereof.

"Advances" means funds made available by the Bank from draws upon the Letter of Credit issued pursuant to the terms of the Credit Agreement.

"Authorized Representative" means one or more of the following officers or employees of the City, acting in concert or individually: the Mayor, the City Manager, any Assistant City Manager, the Chief Financial Officer of the City, any Deputy Chief Financial Officer, the City Treasurer, any Deputy City Treasurer, or such other officer or employee of the City designated in writing by the City Manager or the Chief Financial Officer, and approved by the City Council, to act as an Authorized Representative.

"Authorizing Acts" means the Act and Chapter 1502, Texas Government Code, as amended.

"Available Commitment" means, at any date, the excess of the Commitment as of such date over the principal amount advanced and outstanding under the Note on such date.

"Bank" means The Bank of Tokyo-Mitsubishi UFJ, Ltd., in its capacity as Credit Provider.

"Business Day" means any day on which DTC is scheduled to be open for money market instrument settlement services and is other than a Saturday, Sunday or other day on which the New York Stock Exchange is closed or a day on which banks in New York, New York or in the City of Austin, Texas are authorized by law or executive order to close.

"Certificate of Designation" means the certificate certifying the incumbency and specimen signatures of such person or persons of the Issuing and Paying Agent authorized to receive and sign Commercial Paper Notes.

"Commercial Paper Notes" means the City of Austin, Texas Combined Utility Systems Taxable Commercial Paper Notes, Series A.

"Commitment" means \$\_\_\_\_\_, as such amount may be reduced from time to time pursuant to the Credit Agreement.

"Constitution" means the Constitution of the State of Texas, as amended.

"Credit Agreement" means the Letter of Credit Reimbursement Agreement between the Issuer and the Bank dated as of September 1, 2014.

"Credit Provider" means the Bank, or any subsequent or succeeding party to the Credit Agreement.

"Dealer Representative" means each employee of the Dealer authorized to give notices and/or issuance instructions.

"DTC" means The Depository Trust Company, New York, New York, and its successors and assigns.

"Incumbency Certificate" means a certificate of the Issuer certifying the incumbency of individuals authorized to take action on behalf of the Issuer.

"Issuing Officials" means the Authorized Representatives of the Issuer.

"Letter of Representations" means the letter of representations issued by DTC with respect to the Master Note.

"Master Note" means the master note, in the form provided by DTC, with respect to the Commercial Paper Notes.

"No-Issuance Event" means receipt by the Issuing and Paying Agent from the Credit Provider of a No-Issuance Notice.

"No-Issuance Notice" means a notice from the Credit Provider to the Issuer and the Issuing and Paying Agent in the form of Exhibit A to the Credit Agreement.

"Note" means the promissory note or notes from the Issuer to the Credit Provider in aggregate principal amount not to exceed \$50,000,000.

"Rating Agencies" means Fitch Ratings, Moody's Investors Service, Inc. and Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business.

"Stated Expiration Date" means October 15, 2017, or such later date as may be established pursuant to the Credit Agreement.

"Taxable Series Note Payment Fund" means the Issuer's note payment fund established by the Issuer pursuant to Section 16 of the Note Ordinance.

"Termination Date" means the earliest of (a) the Stated Expiration Date, (b) the date on which no the Available Commitment is reduced to zero as provided in the Credit Agreement, and (c) the Substitution Date, as defined in the Credit Agreement.

2. Supply of Commercial Paper Notes.

(a) The Issuer will from time to time furnish the Issuing and Paying Agent an adequate supply of Commercial Paper Notes, which shall be Book-Entry Commercial Paper Notes and/or certificated Commercial Paper Notes, as the Issuer, in accordance with the provisions of the Note Ordinance, in its sole and absolute discretion considers appropriate. Certificated Commercial Paper Notes shall be in substantially the form set forth in Section 10 of the Note Ordinance, shall be serially numbered and shall have been executed by manual or facsimile signature of an Authorized Representative, but shall otherwise be uncompleted. Book-Entry Commercial Paper Notes shall be substantially in the forms attached to the Letter of Representations and shall be represented by a Master Note which shall be executed by manual or facsimile signature by an Authorized Representative in accordance with the Letter of Representations. Pending receipt of instructions pursuant to this Agreement, the Issuing and Paying Agent will hold the certificated Commercial Paper Notes and the Master Note in safekeeping for the account of the Issuer or DTC, as the case may be, in accordance with the Issuing and Paying Agent's customary practice and the requirements of the Note Ordinance.

(b) Each certificated Commercial Paper Note or Master Note, as the case may be, delivered to the Issuing and Paying Agent shall be accompanied by a letter from the Issuer identifying the certificated Commercial Paper Note(s) or Master Note(s) transmitted therewith, and the Issuing and Paying Agent shall acknowledge receipt of such certificated Commercial Paper Note(s) or Master Note(s) on the copy of such letter or pursuant to some other form of written receipt deemed appropriate by it at the time of delivery to it of such certificated Commercial Paper Note(s) or Master Note(s). Pending the issuance of certificated Commercial Paper Notes as provided in Section 4 hereof, all certificated Commercial Paper Notes and Master Note(s) delivered to it shall be held by it for the account of the Issuer or DTC, as the case may be, for safekeeping in accordance with its customary practice and the requirements of the Note Ordinance.

3. Authorized Representatives.

(a) Annually or more frequently, if requested in writing by the Issuing and Paying Agent, to reflect changes thereto, the Issuer will furnish to the Issuing and Paying Agent an Incumbency Certificate certifying the incumbency and specimen signatures of the persons then authorized to act as Authorized Representative(s) and Issuing Officials of the Issuer for purposes of the Note Ordinance and this Agreement, or certifying as to no change in the preceding certification, as the case may be, and the Issuing and Paying Agent shall act hereunder only upon instructions of such Authorized Representative(s) and/or Issuing Officials. Such Incumbency Certificate shall also specify the names of the Dealer Representatives who are authorized to give notices and/or issuance instructions to the Issuing and Paying Agent as provided herein. The Issuing and Paying Agent shall not have any responsibility to the Issuer to determine by whom or by what means a facsimile signature may have been affixed on the Commercial Paper Notes, or to determine whether any facsimile or manual signature resembles the specimen signature(s) filed with it, and the facsimile signature of a person who is an Authorized Representative on the date such signature is affixed shall be binding on the Issuer after the authentication thereof by the

Issuing and Paying Agent notwithstanding that such person shall have died or shall have otherwise ceased to hold his office on the date such Commercial Paper Note is countersigned or delivered to the Issuing and Paying Agent. Until the Issuing and Paying Agent receives a subsequent certificate from the Issuer, it shall be entitled to rely upon the last such certificate delivered to it for purposes of determining the Authorized Representative(s) and/or Issuing Officials of the Issuer.

(b) Upon the Issuing and Paying Agent's receipt of this Agreement, and from time to time thereafter as it chooses, it shall deliver a Certificate of Designation certifying the incumbency and specimen signatures of its employees who are authorized to receive, authenticate and deliver Commercial Paper Notes. Until the Issuer shall receive a subsequent Certificate of Designation, or unless an Authorized Representative shall have received written notice of the lack of authority of any individual, the Issuer may rely on the last such Certificate of Designation delivered to it.

#### 4. Completion, Authentication and Delivery of Commercial Paper Notes.

(a) From time to time during the term of this Agreement and subject to the terms and conditions hereof, and upon the Issuing and Paying Agent's timely receipt of written, telecopy or electronic instructions or notice transmitted directly to its computers or in such manner as it then employs as its normal business practice, not later than 12:00 p.m., in the case of certificated Commercial Paper Notes, on a Business Day, from an Authorized Representative or a Dealer Representative, on the date of issuance of any certificate. Commercial Paper Notes (in the case of instructions from an Authorized Representative, a copy of such instructions shall be sent to the Dealer Representative by said Authorized Representative) the Issuing and Paying Agent shall withdraw the respective certificated Commercial Paper Notes from safekeeping and in accordance with the instructions so received, take the following actions with respect to each such certificated Commercial Paper Note:

i. date each such certificated Commercial Paper Note the date of issuance thereof (which shall be a Business Day) and insert the maturity date thereof (provided that the Authorized Representative or Dealer Representative shall ensure that such date is a Business Day and that it shall not be more than 270 days from the date of issue or after the Stated Expiration Date) and the face amount (provided that Authorized Representative or the Dealer Representative shall ensure that such face amount is \$100,000 or integral multiples of \$1,000 in excess thereof) thereof in figures;

ii. authenticate (by countersigning) each such certificated Commercial Paper Note in the appropriate space provided thereon; and

iii. deliver in the Borough of Manhattan south of Chambers Street each such certificated Commercial Paper Note to the Dealer, or the consignee, if any, designated by such Authorized Representative or Dealer Representative for the account of the Dealer.

(b) In the case of Book-Entry Commercial Paper Notes, from time to time during the term of this Agreement and subject to the terms and conditions hereof, and upon the Issuing and Paying Agent's timely receipt of written, telecopy or electronic instructions or notice transmitted directly to its computers or in such a manner as it then employs as its normal business practice, not later than 2:00 p.m., in the case of Book-Entry Commercial Paper Notes, on a Business Day, from an Authorized Representative or a Dealer Representative, on the date of issuance of any Book-Entry Commercial Paper Notes (in the case of instructions from an Authorized Representative, a copy of such instructions shall be sent to the Dealer Representative by said Authorized Representative) the Issuing and Paying Agent shall give issuance instructions for the issuance of Book-Entry Commercial Paper Notes to DTC in a manner set forth in, and take other actions as are required by, the Letter of Representations. Instructions for the issuance of Book-Entry Commercial Paper Notes shall include the following information with respect to each Book-Entry Commercial Paper Note:

- i. the date of issuance of each such Book-Entry Commercial Paper Note (which shall be a Business Day);
- ii. the maturity date of each such Book-Entry Commercial Paper Note (provided that the Representative or Dealer Representative shall ensure that such date is a Business Day and that it shall not be more than 270 days from the date of issue or after the Stated Expiration Date); and
- iii. the face amount (provided that the Authorized Representative or the Dealer Representative shall ensure that such face amount is \$100,000 or integral multiples of \$1,000 in excess thereof) in figures.

Notwithstanding anything which may be to the contrary in this Agreement, no Commercial Paper Notes shall be issued, authenticated or delivered in violation of Section 22 of the Note Ordinance, or if the Issuing and Paying Agent shall be in receipt of a No-Issuance Notice unless and until it shall be in receipt of written notice from the Credit Provider, of the revocation thereof. The Issuing and Paying Agent shall notify the Issuer immediately of any action or cessation of action taken pursuant to this paragraph.

The Issuer shall provide to the Issuing and Paying Agent confirmations of the amount of Revolving Loans or Term Loans outstanding and the amount of the Commitment from time to time and in sufficient time to inform the Issuing and Paying Agent as to whether the conditions and limitations contained in clause (i) in subsection (a) hereof and clause (ii) of subsection (b) hereof have been complied with in connection with each issuance of Commercial Paper Notes.

Without limiting or otherwise affecting the obligations of the Issuing and Paying Agent provided above, the Issuer agrees to give notice to the Issuing and Paying Agent of each Revolving Loan or Term Loan and prepayment thereof, and change in the Commitment, at the same time any notice thereof is given to the Issuer under the Credit Agreement.

Any No-Issuance Notice shall be full and complete authorization to the Issuing and Paying Agent to take action or omit to take action hereunder. The Issuing and Paying Agent shall have no responsibility for the correctness or validity of any No-Issuance Notice, notwithstanding any contrary instructions received from the Issuer or the Dealer, as the case may be.

(c) The Issuing and Paying Agent shall send a report (by telecopy or other means permitted hereunder) to the Issuer on a monthly basis of the Issuing and Paying Agent's issuance of Commercial Paper Notes under this Section 4, including the maturity date and face amount of each Commercial Paper Note issued.

(d) Instructions given must be received by the Issuing and Paying Agent by 12:00 p.m., if the Commercial Paper Note(s) are to be delivered the same day. Telephone instructions shall be confirmed in writing the same day.

(e) The Issuer understands that although the Issuing and Paying Agent has been instructed to deliver Commercial Paper Notes against payment, delivery of Commercial Paper Notes will be made, in accordance with the custom prevailing in the commercial paper market, before receipt of payment in immediately available funds. Therefore, once the Issuing and Paying Agent has delivered a Commercial Paper Note to a Dealer or its agent as provided herein, the Issuer shall bear the risk that a Dealer or its agent fails to remit payment for the Commercial Paper Note to the Issuing and Paying Agent. The Issuing and Paying Agent shall have no liability to the Issuer for any failure or inability on the part of the Dealer to make payment for Commercial Paper Notes. Nothing in this Agreement shall require the Issuing and Paying Agent to purchase any Commercial Paper Note or expend its own funds for the purchase price of a Commercial Paper Note or Commercial Paper Notes.

(f) Except as may otherwise be provided in the Letter of Representations, if at any time the Issuer instructs the Issuing and Paying Agent to cease issuing certificated Commercial Paper Notes and to issue only Book-Entry Commercial Paper Notes, the Issuing and Paying Agent agrees that all Commercial Paper Notes will be issued as Book-Entry Commercial Paper Notes and that no certificated Commercial Paper Notes shall be exchanged for Book-Entry Commercial Paper Notes unless and until it has received written instructions from an Authorized Representative (any such instructions from a Dealer Representative shall not be sufficient for this purpose) to the contrary.

(g) It is understood that the Issuing and Paying Agent is not under any obligation to assess or review the financial condition or credit worthiness of any person to or for whose account it delivers a Commercial Paper Note pursuant to instructions from an Authorized Representative or Dealer Representative or to advise the Issuer as to the results of any such appraisal or investigation it may have conducted on its own or of any adverse information concerning any such person that may in any way have come to its attention.

(h) It is understood that DTC may request the delivery of certificated Commercial Paper Notes in exchange for Book-Entry Commercial Paper Notes upon the termination of DTC's services pursuant to the Letter of Representations. Accordingly, upon such termination,

the Issuing and Paying Agent is authorized to complete and deliver certificated Commercial Paper Notes in partial or complete substitution for Book-Entry Commercial Paper Notes of the same face amount and maturity as requested by DTC. Upon the completion of delivery of any such certificated Commercial Paper Note, the Issuing and Paying Agent shall annotate its records regarding the Master Note with respect to such Book-Entry Commercial Paper Notes to reflect a corresponding reduction in the face amount of the outstanding Book-Entry Commercial Paper Notes. The Issuing and Paying Agent's authority to so complete and deliver such certificated Commercial Paper Notes shall be irrevocable at all times from the time a Book-Entry Commercial Paper Note is purchased until the indebtedness evidenced thereby is paid in full.

(i) If the Issuing and Paying Agent shall receive written or telecopy instructions (confirmed in writing in accordance with this Agreement) from the Issuer not to issue or deliver Commercial Paper Notes, until revoked in writing or superseded by further written instructions from the Issuer, the Issuing and Paying Agent shall not issue or deliver Commercial Paper Notes, provided, however, that notwithstanding contrary instructions from the Issuer, the Issuing and Paying Agent shall be required to deliver Commercial Paper Notes with respect to agreements for the sale of Commercial Paper Notes concluded by an Authorized Representative or Dealer Representative prior to receipt by the Authorized Representative or Dealer Representative of notice of such instructions from the Issuer, which the Authorized Representative or Dealer Representative shall be required to confirm to the Issuing and Paying Agent in writing prior to its delivery of the Commercial Paper Notes. For purposes of the preceding provision, the Issuing and Paying Agent may rely on written notice given or delivered to it by an Authorized Representative or Dealer Representative as to whether any particular Commercial Paper Notes are to be issued in respect of such agreements concluded by such Authorized Representative or Dealer Representative, and the Issuing and Paying Agent shall have no obligation to make any other or further investigation.

5. Proceeds of Sale of the Commercial Paper Notes. The Issuing and Paying Agent has established and will continue to maintain a clearing account designated as the "Series A Note Clearing Account" in the City's name (the "Note Account"). On each day on which the Dealer or its agent received Commercial Paper Notes (whether through the facilities of DTC in the manner set forth in the Letter of Representations, or other agreement relating to the Book-Entry-Only System, or by delivery in accordance with section 4(a) hereof), the Issuing and Paying Agent, upon receipt of funds from the Dealer, shall deposit the proceeds of sale of the Commercial Paper Notes in immediately available funds to the credit of the Note Account. From time to time upon telephonic or written instructions received by the Issuing and Paying Agent from an Authorized Representative, the Issuing and Paying Agent agrees to transfer immediately available funds from the Note Account (i) to the Taxable Note Payment Fund established and maintained at the Issuing and Paying Agent for the payment of Commercial Paper Notes and the repayment of Advances due under the Credit Agreement and (ii) subject to the provisions of the Note Ordinance, to the bank or trust company designated by the City where the Series A Note Construction Account (created and established in the Note Ordinance) is kept and maintained.

6. Payment of Matured Commercial Paper Notes.

(a) By 1:00 p.m. on the date that any Commercial Paper Note is scheduled to mature, there shall have been transferred to the Issuing and Paying Agent for deposit in Note Account immediately available funds at least equal to the amount of Commercial Paper Notes maturing on such date. When any matured Commercial Paper Note is presented to the Issuing and Paying Agent for payment by the holder thereof (which may, in the case of Book-Entry Commercial Paper Notes held by the Issuing and Paying Agent, be DTC or a nominee of DTC), payment shall be made from and charged to the Taxable Note Payment Fund or the "Advance Payment Account" (an account established and maintained by the Issuing and Paying Agent for the receipt of Advances under and pursuant to the Credit Agreement) to the extent funds sufficient to effect such payment are available in the Note Account.

(b) While the Commercial Paper Notes are secured by a Letter of Credit (as defined in the Note Ordinance), the Issuing and Paying Agent shall make timely payments of the principal of and interest on the Commercial Paper Notes from Advances under the Letter of Credit, and in connection therewith, the City instructs and the Issuing and Paying Agent agrees to make demands for payment under the Letter of Credit, in strict conformity with the Letter of Credit, at or prior to 5:00 p.m. on each date which is one Business Day (as defined in the Note Ordinance) prior to each date any Commercial Note is to mature ( the "Payment Date") to enable the Issuing and Paying Agent to honor such demands for payment by 12:00 noon on each Payment Date. All funds received under the Letter of Credit pursuant to demands thereunder shall be deposited into the Advance Payment Account and applied solely to the payment of Commercial Paper Notes.

7. Representations and Warranties of the Issuer. The Issuer hereby warrants and represents to the Issuing and Paying Agent, and, each request to issue Commercial Paper Notes shall constitute the Issuer's continuing warranty and representation, as follows:

(a) This Agreement is, and all Commercial Paper Notes delivered to the Issuing and Paying Agent pursuant to this Agreement will be, duly authorized, executed and delivered by the Issuer.

(b) This Agreement constitutes, and the Commercial Paper Notes, when completed, countersigned, and delivered pursuant hereto, will constitute, the Issuer's legal, valid and binding obligations enforceable against the Issuer in accordance with their terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the rights of creditors generally and by general principles of equity.

(c) The Issuer is duly organized and validly existing under the laws of the State of Texas and no liquidation, dissolution, bankruptcy, windup or similar proceedings have been instituted with respect to the Issuer.

(d) The Issuer has, and at all relevant times has had, all necessary power and authority to execute, deliver and perform this Agreement and to issue the Commercial Paper Notes.

(e) All actions on the part of the Issuer which are required for the authorization of the issuance of the Commercial Paper Notes, and for the authorization, execution, delivery and performance of this Agreement, do not require the approval or consent of any holder or trustee of any indebtedness or obligations of the Issuer.

(f) The issuance of Commercial Paper Notes by the Issuer (i) does not and will not contravene any provision of any governmental law, regulation or rule applicable to the Issuer, and (ii) does not and will not conflict with, breach or contravene the provisions of any contract or other instrument binding upon the Issuer.

8. Reliance on Instructions. Except as otherwise set forth herein, the Issuing and Paying Agent shall incur no liability to the Issuer in acting hereunder upon telephonic or other instructions contemplated, hereby which it reasonably believed in good faith to have been given by an Authorized Representative or a Dealer Representative, as the case may be. In the event a discrepancy exists with respect to such instructions, the telephonic instructions as recorded by the Issuing and Paying Agent will be deemed the controlling and proper instructions, unless such instructions are required by this Agreement to be in writing or have not been recorded by the Issuing and Paying Agent as contemplated by the next sentence. It is understood that all telephonic instructions will be recorded by the Issuing and Paying Agent and the City consents to such recording.

9. Cancellation of Commercial Paper Notes. Upon payment by the Issuing and Paying Agent of certificated Commercial Paper Note(s) presented for payment, the Issuing and Paying Agent shall mark such certificated Commercial Paper Note(s) as paid and (i) in due course cancel certificated Commercial Paper Note(s) presented for payment and from time to time return such canceled certificated Commercial Paper Notes to the Issuer, or (ii) destroy such certificated Commercial Paper Notes(s) and deliver to the Issuer from time to time a destruction certificate identifying all certificated Commercial Paper Notes destroyed since the issuance of the prior destruction certificate. After payment of any matured Book-Entry Commercial Paper Notes, the Issuing and Paying Agent shall annotate its records to reflect the face amount of Book-Entry Commercial Paper Notes outstanding in accordance with the Letter of Representations. Promptly upon the written request of the Issuer, the Issuing and Paying Agent agrees to cancel and return to the Issuer all unissued certificated Commercial Paper Notes in the Issuing and Paying Agent's possession at the time of such request.

10. Notices; Addresses.

(a) All communications to the Issuing and Paying Agent by or on behalf of the Issuer or a Dealer, by writing, telecopy, electronic transmission or telephone relating to the completion, delivery or payment of the Commercial Paper Note(s) are to be directed to Commercial Paper Operations at the following address:

U.S. Bank National Association  
100 Wall Street  
16<sup>th</sup> Floor  
New York, New York 10005  
Attention: Commercial Paper Operations  
Telephone: (212) 951-8508  
Telefax: (212) 509-4529  
E-mail: \_\_\_\_\_

(b) Notices and other communications hereunder shall (except to the extent otherwise expressly provided) be in writing (which may be by facsimile) and shall be addressed as follows, or to such other address as the party receiving such notice shall have previously specified to the party sending such notice:

if to the Issuer, at:

City of Austin, Texas  
P.O. Box 2106  
Austin, Texas 78768  
Attention: City Treasurer  
Telephone: (512) 974-7882  
E-mail: [debt@austintexas.gov](mailto:debt@austintexas.gov)

if to the Issuing and Paying Agent, at:

U.S. Bank National Association  
100 Wall Street, Suite 1600  
Attention: Millie Rolla  
New York, New York 10005  
Telephone: (212) 951-8512  
Telefax: (212) 361-6153  
E-mail: [millie.rolla@usbank.com](mailto:millie.rolla@usbank.com)

if to the Dealer, at:

Goldman, Sachs & Co.  
200 West Street, 6th Floor  
New York, New York 10282  
Attention: Municipal Money Market Sales and Trading – CP and Notes Trading  
Telephone: (212) 902-6633  
E-mail: [ficc-municp-traders@ny.email.gs.com](mailto:ficc-municp-traders@ny.email.gs.com)

if to the Rating Agencies, at:

Fitch Ratings

Attention:

One State Street Plaza

New York, New York 10004

Telephone: (212) \_\_\_\_ - \_\_\_\_

Telefax: (212) \_\_\_\_ - \_\_\_\_

Moody's Investor's Service, Inc.

Attention: Public Finance Group

7 World Trade Center at 250 Greenwich Street

New York, New York 10007

Telephone: (212) 553-7738

Telefax: (212) 233-6263

Standard & Poor's Ratings Group

55 Water Street

New York, New York 10041

Telephone: (212) 208-1811

Telefax: (212) 412-0506

if to the Credit Provider, at:

Citigroup Global Markets, Inc.

1615 Brett Rd., OPS 3

Attention: Adrienne Jackson

New Castle, Delaware 19720

Telephone: (302) 323-5888

Telefax: (212) 994-0849

E-mail: [adriene.jackson@citi.com](mailto:adriene.jackson@citi.com)

(c) In any case where it is provided in this Agreement that a copy of any instruction, demand or other notice is to be delivered to the Dealer, such copy shall be delivered to the Dealer at the address set forth above by the same means as the original thereof shall have been given, provided that the failure of such copy to be given to any Dealer shall not invalidate or adversely affect the original thereof. Notices shall be deemed delivered when received at the address specified above. For purposes of this Section 10, "when received" shall mean actual receipt (i) of an electronic communication by telecopier or issuance system specified in or pursuant to this Agreement; or (ii) of an oral communication by any person answering the telephone at the office of the individual or department specified in or pursuant to this Agreement;

or (iii) of a written communication hand-delivered at the office specified in or pursuant to this Agreement.

(d) The Issuer shall provide written notice to the Issuing and Paying Agent of any termination of the Commitment and replacement of the Credit Provider at least ten Business Days prior to the effective date thereof whereupon the Issuing and Paying Agent shall provide written notice thereof to the holders of the Commercial Paper Notes at least five Business Days prior to the effective date thereof.

(e) The Issuer agrees that prior to the initial issuance of Commercial Paper Notes, it shall provide notice to the Rating Agencies of the principal amount of Commercial Paper Notes that are to be issued as the initial issuance of Commercial Paper Notes under the Note Ordinance, in the manner prescribed by this Section 10.

11. Liability. Neither the Issuing and Paying Agent nor its officers, employees or agents shall be liable for any act or omission hereunder, except in the case of negligence or willful misconduct as described in Section 12 herein. The Issuing and Paying Agent's duties and obligations and those of its officers and employees shall be determined by the express provisions of this Agreement, the Letter of Representations and the Note Ordinance (including the documents referred to therein), and the Issuing and Paying Agent and its officers, employees and agents shall be responsible for the performance of only such duties and obligations as are specifically set forth herein and therein, and no implied covenants shall be read into any such document against the Issuing and Paying Agent or its officers, employees or agents. Neither the Issuing and Paying Agent nor its officers or employees or agents shall be required to ascertain whether any issuance or sale of Commercial Paper Note(s) (or any amendment or termination of this Agreement) has been duly authorized or is in compliance with any other agreement to which the Issuer is a party (whether or not the Issuing and Paying Agent is a party to such other agreement).

12. Indemnity. To the extent permitted by the laws of the State of Texas, the Issuer agrees to indemnify and hold the Issuing and Paying Agent, its employees and any of its officers and agents harmless from and against, and the Issuing and Paying Agent shall not be liable for, any and all losses, liabilities (including liabilities for penalties), actions, suits, judgments, demands, damages, costs and expenses of any nature (including, without limitation, attorneys' fees and expenses) arising out of or resulting from the exercise of its rights and/or the performance of its duties (or those of its agents and employees) hereunder; provided, however, that the Issuer shall not be liable to indemnify or pay the Issuing and Paying Agent or any of its officers, employees or agents with respect to any loss, liability, action, suit, judgment, demand, damage, cost or expense that results from or is attributable to the Issuing and Paying Agent's negligence or willful misconduct or that of its officers, employees or agents. The foregoing indemnity includes, but is not limited to, any action taken or omitted to be taken by the Issuing and Paying Agent or any of its officers, employees or agents upon written, telecopy, telephonic or other electronically

transmitted instructions (authorized herein) received by the Issuing and Paying Agent from, or believed by it in good faith to have been given by, the proper person or persons. The provisions of this Section 12 shall survive (i) the Issuing and Paying Agent's resignation or removal hereunder and (ii) the termination of this Agreement.

13. Termination.

(a) This Agreement may be terminated at any time by either the Issuing and Paying Agent or the Issuer by 15 days' prior written notice to the other, provided that the Issuing and Paying Agent agrees to continue acting as Issuing and Paying Agent hereunder until such time as its successor has been selected and has entered into an agreement with the Issuer to that effect. Such termination shall not affect the respective liabilities of the parties hereunder arising prior to such termination.

(b) If no successor has been appointed within 30 days, then the Issuing and Paying Agent has the right to petition a court of competent jurisdiction for the appointment of a successor Issuing and Paying Agent. The Issuing and Paying Agent shall be reimbursed for any and all expenses in connection with any such petition and appointment.

(c) On the Business Day following the date of termination of this Agreement, the Issuing and Paying Agent shall destroy all certificated Commercial Paper Notes in its possession and shall transfer to the Issuer all funds, if any, then on deposit in the Taxable Note Payment Fund. The Issuing and Paying Agent shall promptly notify the Issuer of all certificated Commercial Paper Notes so destroyed.

14. Amendments and Modifications. No amendment, modification or waiver of any provision of this Agreement, nor any consent to any departure by any party from any provision hereof binding upon such party, shall be effective unless the same shall be in writing and signed by all the parties hereto.

15. Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective successors, including successors by merger, and assigns; provided, however, that no party hereto may assign any of its rights or obligations hereunder, except with the prior written consent of all the other parties hereto.

16. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Texas; however, the duties, obligations and immunities of the Issuing and Paying Agent under this Agreement shall be governed by the laws of the State of New York.

17. Execution in Counterparts. This Agreement may be executed in any number of counterparts; each counterpart, when so executed and delivered, shall be deemed to be an original; and all of which counterparts, taken together, shall constitute one and the same

agreement. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Agreement.

18. Headings. Section headings used in this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

19. Compensation and Expenses. The Issuer shall pay the Issuing and Paying Agent from time to time following the execution of this Agreement reasonable compensation for all services rendered by the Issuing and Paying Agent hereunder as agreed between itself and the Issuer. The Issuer shall reimburse the Issuing and Paying Agent upon the Issuing and Paying Agent's request for all expenses, disbursements and advances incurred or made by the Issuing and Paying Agent in accordance with any provision of this Agreement (including the reasonable compensation and the expenses and disbursements of its agents and counsel) except any expense or disbursement attributable to the Issuing and Paying Agent's negligence or willful misconduct.

20. Miscellaneous.

(a) No provision of this Agreement shall require the Issuing and Paying Agent to risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights and powers hereunder. If the Issuing and Paying Agent makes a deposit, payment or transfer of funds before it receives the immediately available funds, such deposit, payment or transfer shall represent an advance by the Issuing and Paying Agent to the Issuer to be repaid from such funds or by the Issuer in the event that such funds are not received by the Issuing and Paying Agent. It is intended that such advance be for no longer than 24 hours. Interest on each such unpaid advance shall be at a rate negotiated between the Issuing and Paying Agent and the Issuer and shall begin to accrue on the day of the advance. The Issuer shall assure the prompt reimbursement to the Issuing and Paying Agent of any such advance (including the interest thereon).

(b) The Issuing and Paying Agent may consult with counsel, and any advice or written opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted to be taken by it, in the absence of bad faith, negligence or willful misconduct on its part, in reliance on such advice or opinion.

(c) The Issuing and Paying Agent makes no representation as to, and shall have no responsibility for, the correctness of any statement contained in, or the validity or sufficiency of, this Agreement or any documents or instruments referred to in this Agreement or as to or for the validity or collectability of any obligation contemplated by this Agreement. The Issuing and Paying Agent shall not be accountable for the use or application by any person of disbursements properly made by it in conformity with the provisions of this Agreement.

(d) The Issuing and Paying Agent may rely and shall be protected in acting upon any document or writing presented to it hereunder and reasonably believed by it to be genuine and to have been signed and presented by an authorized person or persons.

(e) All references to time in this Agreement shall refer to local time in New York, New York.

(f) Federal law requires that all financial institutions, such as the Issuing and Paying Agent, obtain, verify and record information that identifies each person who opens an account. The Issuer agrees, upon the written request of the Issuing and Paying Agent, to provide documentation to verify its formation and existence as a legal entity, and to provide, at the written request of the Issuing and Paying Agent, financial statements, license, identification and authorization documents from individuals claiming authority to represent the Issuer.

If the foregoing is acceptable to the Issuing and Paying Agent, please indicate its agreement therewith by signing one or more counterparts of this Agreement in the space provided below, and returning such signed counterpart(s) to the Issuer, whereupon this letter when signed by the Issuing and Paying Agent and the Issuer, will become a binding agreement between us.

CITY OF AUSTIN, TEXAS

By: \_\_\_\_\_  
Its: City Manager

(SEAL)

Attest:

By: \_\_\_\_\_  
Its: City Clerk

APPROVED:

\_\_\_\_\_  
City Attorney

Agreed to and accepted this \_\_\_\_ day of \_\_\_\_\_, 2014.

U.S. BANK NATIONAL ASSOCIATION  
as Issuing and Paying Agent

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

DRAFT