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## PART 1. FINDINGS.

## PART 2. DEFINITIONS.

“Business Day” means a day other than a Saturday, a Sunday, a legal holiday, or a day on which banking institutions are authorized by law or executive order to close in the City or the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located.

1 “Chapter 9” means Chapter 9 of the Texas Business & Commerce Code.

2 “Chapter 1204” means Chapter 1204 of the Texas Government Code.

3 “Chapter 1206” means Chapter 1206 of the Texas Government Code.

4 “Chapter 1208” means Chapter 1208 of the Texas Government Code.

5 “Chapter 1371” means Chapter 1371 of the Texas Government Code.

6 “City” means the City of Austin, Texas.

7 “Code” means the Internal Revenue Code of 1986, as amended.

8 “Council” means the City Council of the City.

9 “Defeasance Securities” means (i) direct, noncallable obligations of the United States of America,  
10 including obligations that are unconditionally guaranteed by the United States of America and (ii)  
11 noncallable obligations of an agency or instrumentality of the United States of America, including  
12 obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on  
13 the date of approval of the proceedings authorizing the issuance of the refunding bonds, are rated as to  
14 investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent.

15 “Defeased Bond” means any Bond and the interest on the Bond that is considered to be paid, retired  
16 and no longer outstanding under the terms of this Ordinance, specifically PART 16 of this Ordinance.

17 “Designated Payment/Transfer Office” means the office of the Paying Agent/Registrar identified  
18 by the Paying Agent/Registrar as its Designated Payment/Transfer Office for the purpose of discharging  
19 its duties under this Ordinance.

20 “DTC” means The Depository Trust Company, New York, New York.

21 “Event of Default” has the meaning described in PART 17 of this Ordinance.

22 “Expiration Date” means February 16, 2019.

23 “Future Escrow Agreement” means an escrow agreement or other similar instrument with respect  
24 to Defeased Bonds.

25 “Interest and Sinking Fund” means the Interest and Sinking Fund established in PART 9 of this  
26 Ordinance.

27 “MSRB” means the Municipal Securities Rulemaking Board.

28 “Official Bid Form” means the bid form to be submitted by bidders seeking to purchase the Bonds  
29 as provided in the Bidding Instructions.

30 “Paying Agent/Registrar” means the bank, trust company, financial institution, or agency named  
31 in the Paying Agent/Registrar Agreement.

1 “Paying Agent/Registrar Agreement” means the agreement between the City and the Paying  
2 Agent/Registrar with respect to the Bonds in the form approved by an Authorized Representative, and any  
3 successor agreement.

4 “Pricing Certificate” means a certificate executed by an Authorized Representative on the date of  
5 sale of any series of the Bonds containing the terms of such series authorized to be determined by the  
6 Authorized Representative pursuant to PART 4 of this Ordinance.

7 “Project” means a project for which proceeds of the Bonds are spent consistent with the purposes  
8 described in clause (a) of PART 3 of this Ordinance.

9 “Purchasers” means the entity or entities designated in the Pricing Certificate.

10 “Registered Owner” means the owner of any Bond as recorded in the Registration Books.

11 “Registration Books” means the books or records of registration and transfer of the Bonds  
12 maintained by the Paying Agent/Registrar.

13 “Rule” means SEC Rule 15c2-12.

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

15 “Treasury Regulations” means all applicable temporary, proposed and final regulations and  
16 procedures promulgated under the Code or promulgated under the Internal Revenue Code of 1954, to the  
17 extent applicable to the Code.

### 18 **PART 3. BONDS AUTHORIZED.**

19  
20 The Bonds shall be issued in accordance with the Constitution, laws of the State of Texas, and the  
21 Charter of the City, in one or more series, in the aggregate principal amount not to exceed \$69,055,000  
22 for the purposes of (a) financing the Projects described in Schedule I and (b) paying the costs of issuance  
23 associated with the sale of the Bonds. The aggregate principal amount and the designation of Bonds issued  
24 pursuant to this Ordinance shall be set forth in the Pricing Certificate therefor.

### 25 **PART 4. SALE PARAMETERS.**

26 (a) The Bonds shall be issued in any Authorized Denomination as fully registered bonds,  
27 without interest coupons, payable to the respective initial registered owners of the Bonds, or to the  
28 registered assignee or assignees of the Bonds, maturing not later than 40 years from their issue date,  
29 payable serially or otherwise on the dates, in the years and in the principal amounts, and dated and  
30 numbered, all as set forth in the Pricing Certificate.

31 (b) In accordance with Chapter 1371, Council authorizes each Authorized Representative to  
32 act on behalf of the City in selling and delivering the Bonds and carrying out the other procedures specified  
33 in this Ordinance, including determining and fixing the number of series and the designation or title by  
34 which series of Bonds sold shall be known and, with respect to any series of Bonds, the purposes and  
35 aggregate principal amount of the Bonds sold, the dated date and the date of initial delivery of the Bonds  
36 sold, the price at which the Bonds will be sold, the years in which the Bonds will mature, the principal

1 amount of Bonds to mature in each of such years, that portion of the Bonds, if any, to be issued as capital  
2 appreciation bonds and the maturity amount of any Bonds issued as capital appreciation bonds, the rate or  
3 rates of interest to be borne by or accrue on each maturity, the interest payment periods and interest  
4 payment dates, the record date, the dates, prices, and terms upon and at which the Bonds shall be subject  
5 to redemption (including provisions for optional and mandatory redemption), and all other terms, details  
6 and matters relating to the Bonds and their issuance, sale and delivery, including, without limitation,  
7 obtaining a municipal bond insurance policy in support of the Bonds, all of which shall be specified in the  
8 Pricing Certificate; *provided*, that (i) the price to be paid for the Bonds shall not be less than 95% of the  
9 aggregate principal amount of the Bonds sold, plus accrued interest, if any, (ii) the Bonds shall not bear  
10 interest at a rate greater than the maximum rate allowed by Chapter 1204, and (iii) prior to the execution  
11 of the Official Bid Form by an Authorized Representative, the Bonds shall be rated by a nationally  
12 recognized rating agency for municipal securities in one of the four highest rating categories for long-term  
13 debt instruments.

14 An Authorized Representative may approve modifications to this Ordinance to conform to the  
15 terms of the Bonds, as approved by the Authorized Representative, and execute any instruments,  
16 agreements and other documents as the Authorized Representative shall deem necessary or appropriate in  
17 connection with the issuance, sale and delivery of Bonds pursuant to this Ordinance.

18 It is in the best interests of the City for the Bonds to be sold through a competitive sale, and Council  
19 authorizes the preparation and distribution of the Bidding Instructions and the Official Bid Form. Each  
20 Authorized Representative is authorized to execute the Official Bid Form to evidence the acceptance by  
21 the City of the best and winning bid submitted, and the best and winning bid shall be the price the  
22 Authorized Representative executing the Official Bid Form determines to be the most advantageous to the  
23 City. The conditions set forth in PART 12 of this Ordinance must be met prior to any Authorized  
24 Representative executing the Official Bid Form to evidence the acceptance by the City of the best and  
25 winning bid submitted.

26 The authority of an Authorized Representative to execute any Official Bid Form shall expire at  
27 11:59 p.m. on the Expiration Date. Bonds sold pursuant to an Official Bid Form executed on or before  
28 the Expiration Date may be delivered after the Expiration Date.

29 In establishing the aggregate principal amount of the Bonds of any series, the Authorized  
30 Representative shall establish an amount which shall be sufficient (together with any premium received  
31 from the sale of the Bonds) to provide for the purposes for which the Bonds are authorized. The Bonds  
32 of any series shall be sold at such price, with and subject to such terms, as set forth in the Pricing  
33 Certificate.

34 (c) Any finding or determination made by an Authorized Representative relating to the  
35 issuance and sale of the Bonds and the execution of the Official Bid Form shall have the same force and  
36 effect as a finding or determination made by Council.

## 37 **PART 5. REDEMPTION PROVISIONS.**

38 (a) The Bonds may be subject to redemption, at the option of the City, prior to their stated  
39 maturities to the extent and in the manner provided in the Bidding Instructions. The years of maturity of  
40 the Bonds called for redemption at the option of the City prior to their stated maturity shall be selected by

1 the City. The Bonds or any portion redeemed within a maturity shall be selected by lot, or other customary  
2 random selection method, by the Paying Agent/Registrar; provided, that during any period in which  
3 ownership of the Bonds is determined only by a book entry at DTC, if fewer than all of the Bonds of the  
4 same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity  
5 and bearing such interest rate shall be selected in accordance with the arrangements between the City and  
6 DTC.

7 (b) The Bonds may be subject to mandatory sinking fund redemption prior to their stated  
8 maturities, to the extent and in the manner provided in the Official Bid Form.

9 (c) At least 30 days before the date fixed for redemption, the City shall cause a written notice  
10 of the redemption to be deposited in the United States mail, first-class postage prepaid, addressed to each  
11 Registered Owner at the address shown on the Registration Books. By the date fixed for redemption, due  
12 provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price  
13 for the Bonds which are to be redeemed, plus accrued interest to the date fixed for redemption. If the  
14 notice of redemption is given, and if provision for payment is made, all as provided above, the Bonds, or  
15 the portions of the Bonds, which are to be redeemed, automatically shall be redeemed prior to their  
16 scheduled maturities, and shall not bear interest after the date fixed for their redemption, and shall not be  
17 regarded as outstanding except for the right of the Registered Owner to receive the redemption price plus  
18 accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the funds provided  
19 for payment. The Paying Agent/Registrar shall record in the Registration Books all redemptions of  
20 principal of the Bonds or any portion of the principal. If a portion of any Bond shall be redeemed, one or  
21 more substitute Bonds having the same maturity date, bearing interest at the same rate, in any Authorized  
22 Denomination, at the written request of the Registered Owner, and in an aggregate principal amount equal  
23 to the unredeemed portion of the Bonds, will be issued to the Registered Owner upon the surrender for  
24 cancellation, at the expense of the City, all as provided in this Ordinance. In addition, the City shall cause  
25 the Paying Agent/Registrar to give notice of any redemption in the manner set forth in PART 5. The  
26 failure to cause notice to be given, however, or any defect in the notice, shall not affect the validity or  
27 effectiveness of the redemption. Unless the Paying Agent/Registrar has received funds sufficient to pay  
28 the redemption price of the Bonds to be redeemed before giving of a notice of redemption, the notice of  
29 redemption may state the City may condition redemption on the receipt by the Paying Agent/Registrar of  
30 sufficient funds on or before the date fixed for the redemption, or on the satisfaction of any other  
31 prerequisites set forth in the notice of redemption. If a notice of conditional redemption is given and such  
32 prerequisites to the redemption and sufficient funds are not received, the notice shall be of no force and  
33 effect, the City shall not redeem the Bonds and the Paying Agent/Registrar shall give notice, in the manner  
34 in which the notice of redemption was given, that the Bonds have not been redeemed.

35  
36 (d) If a notice of redemption is given and sufficient funds are not received for the payment of  
37 the required redemption price for the Bonds which are to be redeemed, the notice shall be of no force and  
38 effect, the City shall not redeem the Bonds, and the Paying Agent/Registrar shall give notice, in the manner  
39 in which the notice of redemption was given, that the Bonds have not been redeemed.

40 (e) Each redemption notice required by this Ordinance shall contain a description of  
41 the Bonds to be redeemed, including the complete name of the Bonds, the series, the date of issue,  
42 the interest rate, the maturity date, the CUSIP number, the amounts of the Bonds called for  
43 redemption, the date of redemption, the redemption price, the name of the Paying Agent/Registrar  
44 and the address at which the Bond may be redeemed, including a contact person and telephone

1 number. This notice may also state that the redemption is conditioned upon receipt of sufficient  
2 funds for the payment of the required redemption price for the Bonds which are to be redeemed  
3 by the date fixed for redemption. All redemption payments made by the Paying Agent/Registrar  
4 to the Registered Owners of the Bonds shall include CUSIP numbers relating to each amount paid  
5 to such Registered Owner.

#### 6 **PART 6. INTEREST.**

7 The Bonds shall bear interest at the rates per annum set forth in the Official Bid Form. The interest  
8 shall be payable to the Registered Owner of any Bond in the manner provided and on the dates stated in  
9 the Bidding Instructions. Interest shall be calculated on the basis of a 360-day year consisting of twelve  
10 30-day months.

#### 11 **PART 7. ADDITIONAL CHARACTERISTICS OF THE BONDS.**

12 (a) The City shall keep, or cause to be kept, at the Designated Payment/Transfer Office, the  
13 Registration Books, and the Paying Agent/Registrar named in the Paying Agent/Registrar Agreement shall  
14 act as the registrar and transfer agent for the City to keep books or records and make the transfers and  
15 registrations under the reasonable regulations as the City and the Paying Agent/Registrar may prescribe;  
16 and the Paying Agent/Registrar shall make transfers and registrations as provided in this Ordinance. It  
17 shall be the duty of the Paying Agent/Registrar to obtain from the Registered Owner and record in the  
18 Registration Books the address of the Registered Owner to which payments with respect to the Bonds  
19 shall be mailed, as provided in this Ordinance. The City, or its designee, shall have the right to inspect  
20 the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the  
21 Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by  
22 law, shall not permit their inspection by any other entity. Ownership of each Bond may be transferred in  
23 the Registration Books only upon presentation and surrender of the Bond to the Paying Agent/Registrar  
24 for transfer of registration and cancellation, together with proper written instruments of assignment, in  
25 form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing the  
26 assignment of the Bond, or any portion of the Bond, in any Authorized Denomination, to the assignee or  
27 assignees, and the right of the assignee or assignees to have the Bond or any portion of the Bond registered  
28 in the name of the assignee or assignees. Upon the assignment and transfer of any Bond, a new substitute  
29 obligation or obligations shall be issued in exchange for the Bond in the manner provided in this  
30 Ordinance.

31 (b) The entity in whose name any Bond shall be registered in the Registration Books at any  
32 time shall be treated as the absolute owner of the Bond for all purposes of this Ordinance, whether the  
33 Bond shall be overdue, and the City and the Paying Agent/Registrar shall not be affected by any notice to  
34 the contrary; and payment of, or on account of, the principal of, premium, if any, and interest on any Bond  
35 shall be made only to the Registered Owner. All payments shall be valid and effectual to satisfy and  
36 discharge the liability on the Bond to the extent of the sum or sums so paid.

37 (c) The Paying Agent/Registrar named in the Paying Agent/Registrar Agreement shall act as  
38 the paying agent for paying the principal of, premium, if any, and interest on, the Bonds, and to act as the  
39 agent of the City to exchange or replace Bonds, all as provided in this Ordinance. The Paying  
40 Agent/Registrar shall keep proper records of all payments made by the City and the Paying

1 Agent/Registrar with respect to the Bonds, and of all exchanges and replacements, as provided in this  
2 Ordinance.

3 (d) Each Bond may be exchanged for fully registered obligations as set forth in this Ordinance.  
4 Each Bond issued and delivered pursuant to this Ordinance, to the extent of the unredeemed principal  
5 amount, may, upon surrender at the Designated Payment/Transfer Office, together with a written request  
6 duly executed by the Registered Owner or its assignee or assignees, or its or their duly authorized attorneys  
7 or representatives, with guarantee of signatures satisfactory to the Paying Agent/Registrar, at the option  
8 of the Registered Owner or its assignee or assignees, as appropriate, be exchanged for fully registered  
9 obligations, without interest coupons, in the form prescribed in the Form of Bond, in any Authorized  
10 Denomination (subject to the requirement stated below that each substitute Bond shall have a single stated  
11 maturity date), as requested in writing by the Registered Owner or its assignee or assignees, in an  
12 aggregate principal amount equal to the unredeemed principal amount of any Bond or Bonds so  
13 surrendered, and payable to the appropriate Registered Owner, assignee, or assignees. If a portion of any  
14 Bond is assigned and transferred, each Bond issued in exchange shall have the same maturity date and  
15 bear interest at the same rate as the Bond for which it is being exchanged. Each substitute Bond shall bear  
16 a letter and/or number to distinguish it from each other Bond. The Paying Agent/Registrar shall exchange  
17 or replace Bonds as provided in this Ordinance, and each fully registered Bond delivered in exchange for  
18 or replacement of any Bond or portion of a Bond as permitted or required by any provision of this  
19 Ordinance shall constitute one of the Bonds for all purposes of this Ordinance, and may again be  
20 exchanged or replaced. Any Bond delivered in exchange for or replacement of another Bond before the  
21 first scheduled interest payment date on the Bonds (as stated on the face of the Bond) shall be dated the  
22 same date, but each substitute Bond delivered on or after the first scheduled interest payment date shall  
23 be dated the interest payment date preceding the date on which the substitute Bond is delivered, unless the  
24 substitute Bond is delivered on an interest payment date, in which case it shall be dated as of the date of  
25 delivery; however, if at the time of delivery of any substitute Bond the interest on the Bond for which it  
26 is being exchanged has not been paid, then the substitute Bond shall be dated the date to which interest  
27 has been paid in full. On each substitute Bond issued in exchange for or replacement of any Bond issued  
28 under this Ordinance there shall be printed on the Bond the Authentication Certificate. An authorized  
29 representative of the Paying Agent/Registrar shall, before the delivery of any substitute Bond, date the  
30 substitute Bond in the manner set forth above, and manually sign and date the Authentication Certificate,  
31 and no substitute Bond shall be considered to be issued or outstanding unless the Authentication  
32 Certificate is executed. The Paying Agent/Registrar promptly shall cancel all Bonds surrendered for  
33 exchange or replacement. No additional ordinances, orders, or resolutions need be passed or adopted by  
34 Council or any other body or person to accomplish the exchange or replacement of any Bond, and the  
35 Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in  
36 the manner prescribed in this Ordinance. Pursuant to Chapter 1206, the duty of exchange or replacement  
37 of any Bond is imposed on the Paying Agent/Registrar, and, upon the execution of the Authentication  
38 Certificate, the exchanged or replaced obligation shall be valid, incontestable, and enforceable in the same  
39 manner and with the same effect as the Bonds which originally were delivered pursuant to this Ordinance,  
40 approved by the Texas Attorney General, and registered by the Texas Comptroller of Public Accounts.  
41 Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond  
42 selected for redemption, in whole or in part, within 45 calendar days of the date fixed for redemption;  
43 provided, however; the limitation of transfer shall not be applicable to an exchange by the Registered  
44 Owner of the uncalled principal of a Bond.

1 (e) All Bonds issued in exchange or replacement of any other Bond or portion of a Bond (i)  
2 shall be issued in fully registered form, without interest coupons, with the principal of and interest on the  
3 Bonds to be payable only to the Registered Owners, (ii) may be redeemed prior to their scheduled  
4 maturities, (iii) may be transferred and assigned, (iv) may be exchanged for other Bonds, (v) shall have  
5 the characteristics, (vi) shall be signed and sealed, and (vii) the principal of and interest on the Bonds shall  
6 be payable, all as provided, and in the manner required or indicated in this Ordinance and the Pricing  
7 Certificate.

8 (f) The City shall pay the Paying Agent/Registrar's reasonable and customary fees and charges  
9 for making transfers of Bonds, but the Registered Owner of any Bond requesting the transfer shall pay  
10 any taxes or other governmental charges required for the transfer. The Registered Owner of any Bond  
11 requesting any exchange shall pay the Paying Agent/Registrar's reasonable and standard or customary  
12 fees and charges for exchanging any Bond or a portion of a Bond, together with any required taxes or  
13 governmental charges, all as a condition precedent to the exercise of the privilege of exchange, except in  
14 the case of the exchange of an assigned and transferred Bond or Bonds or any portion or portions in any  
15 Authorized Denomination, the fees and charges will be paid by the City. In addition, the City covenants  
16 with the Registered Owners of the Bonds that it will (i) pay the reasonable and standard or customary fees  
17 and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of  
18 and interest on the Bonds, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for  
19 services with respect to the transfer or registration of Bonds, and with respect to the exchange of Bonds  
20 solely to the extent stated above.

21 (g) An Authorized Representative is authorized to execute and deliver the Paying  
22 Agent/Registrar Agreement. The City covenants with the Registered Owners of the Bonds that at all times  
23 while the Bonds are outstanding the City will provide a competent and legally qualified bank, trust  
24 company, or other entity duly qualified and legally authorized to act as and perform the services of Paying  
25 Agent/Registrar for the Bonds under this Ordinance, and that the Paying Agent/Registrar will be one  
26 entity. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not  
27 less than 60 days' written notice to the Paying Agent/Registrar. In the event that the entity at any time  
28 acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign  
29 or otherwise stop acting as such, the City covenants that it will promptly appoint a competent and legally  
30 qualified national or state banking institution organized and doing business under the laws of the United  
31 States of America or of any state, authorized under the laws to exercise trust powers, subject to supervision  
32 or examination by federal or state authority, and whose qualifications substantially are similar to the  
33 previous Paying Agent/Registrar to act as Paying Agent/Registrar under this Ordinance. Upon any change  
34 in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver  
35 the Registration Books (or a copy of these Registration Books), along with all other pertinent books and  
36 records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the City.  
37 Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice to be sent  
38 by the new Paying Agent/Registrar to each Registered Owner of the Bonds, by United States mail, first-  
39 class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By  
40 accepting the position and performing as such, each Paying Agent/Registrar shall be considered to have  
41 agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to  
42 each Paying Agent/Registrar.



1                   **PART 8.       FORM OF BONDS.**

2           The Bonds shall be signed with the manual or facsimile signatures of the Mayor and the City Clerk,  
3 and the seal of the City shall be affixed or impressed on the Bonds. The form of all Bonds, including the  
4 form of the Comptroller's Registration Certificate to accompany the Bonds on the initial delivery, the  
5 form of the Authentication Certificate, and the Form of Assignment to be printed on each Bond, shall be,  
6 respectively, substantially in the form set forth in Exhibit A, with such appropriate variations, omissions,  
7 or insertions as are permitted or required by this Ordinance, the Bidding Instructions and the Official Bid  
8 Form.

9                   **PART 9.       LEVY OF TAX; INTEREST AND SINKING FUND.**

10           (a)     The Interest and Sinking Fund (which may include the designation or title by which a series  
11 of Bonds shall be known, as determined pursuant to PART 4(b) of this Ordinance) is created and it shall  
12 be established and maintained at an official depository of the City. The Interest and Sinking Fund shall  
13 be kept separate and apart from all other funds and accounts of the City, and shall be used only for paying  
14 the interest on and principal of the Bonds. All ad valorem taxes levied and collected for and on account  
15 of the Bonds shall be deposited, as collected, to the credit of the Interest and Sinking Fund. During each  
16 year while any Bond is outstanding and unpaid, Council shall compute and ascertain the rate and amount  
17 of ad valorem tax, based on the latest approved tax rolls of the City, with full allowances being made for  
18 tax delinquencies and costs of tax collections, which will be sufficient to raise and produce the money  
19 required to pay the interest on the Bonds as the interest comes due, and to provide a sinking fund to pay  
20 the principal (including mandatory sinking fund redemption payments, if any) of the Bonds as the principal  
21 matures, but never less than 2% of the outstanding principal amount of the Bonds as a sinking fund each  
22 year. The rate and amount of ad valorem tax needed to fund this obligation is ordered to be and is hereby  
23 levied against all taxable property in the City for each year while any Bond is outstanding and unpaid, and  
24 the ad valorem tax shall be assessed and collected each year and deposited to the credit of the Interest and  
25 Sinking Fund. The ad valorem taxes necessary to pay the interest on and principal of the Bonds, as the  
26 interest comes due, and the principal matures or comes due through operation of the mandatory sinking  
27 fund redemption, if any, as provided in the Pricing Certificate, are pledged for this purpose, within the  
28 limit set by law. The City appropriates from current funds on hand, and directs the transfer for deposit  
29 into the Interest and Sinking Fund, moneys as may be necessary to pay debt service on the Bonds  
30 scheduled to occur prior to receipt of taxes levied to pay such debt service. Money in the Interest and  
31 Sinking Fund, at the option of the City, may be invested in the securities or obligations as permitted under  
32 applicable law and the City's investment policy. Any securities or obligations in which money is invested  
33 shall be kept and held in trust for the benefit of the owners of the Bonds and shall be sold and the proceeds  
34 of sale shall be timely applied to the making of all payments required to be made from the Interest and  
35 Sinking Fund. Interest and income derived from the investment of money in the Interest and Sinking Fund  
36 shall be credited to the Interest and Sinking Fund.

37           (b)     Should more than one series of Bonds be sold under authority of this Ordinance, a separate  
38 interest and sinking fund will be created and maintained at an official depository of the City to secure each  
39 series of Bonds.

40           (c)     Chapter 1208 applies to the issuance of the Bonds and the pledge of ad valorem taxes made  
41 under PART 9(a) of this Ordinance, and the pledge is valid, effective, and perfected. If Texas law is  
42 amended at any time while any Bond is outstanding and unpaid so that the pledge of ad valorem taxes

1 made by the City under PART 9(a) of this Ordinance is to be subject to the filing requirements of Chapter  
2 9, then to preserve to the Registered Owners of the Bonds the perfection of the security interest in the  
3 pledge, the City agrees to take measures as it determines are reasonable and necessary under Texas law to  
4 comply with the applicable provisions of Chapter 9 and enable a filing to perfect the security interest in  
5 the pledge.

#### 6 **PART 10. DAMAGED, LOST, STOLEN OR DESTROYED BONDS.**

7 (a) In the event any outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the  
8 Paying Agent/Registrar shall cause to be printed, executed, and delivered a new bond of the same principal  
9 amount, maturity, and interest rate as the damaged, mutilated, lost, stolen, or destroyed Bond, in  
10 replacement for the Bond in the manner provided in this Ordinance.

11 (b) Application for replacement of any damaged, mutilated, lost, stolen, or destroyed Bond  
12 shall be made to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the  
13 applicant for a replacement obligation shall furnish to the City and to the Paying Agent/Registrar the  
14 security or indemnity as may be required by them to save each of them harmless from any loss or damage  
15 with respect to the Bond. Also, in every case of loss, theft, or destruction of a Bond, the applicant shall  
16 furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or  
17 destruction of the Bond. In every case of damage or mutilation of a Bond, the applicant shall surrender to  
18 the Paying Agent/Registrar for cancellation the damaged or mutilated Bond.

19 (c) Notwithstanding clauses (a) and (b), in the event any Bond shall have matured, and there  
20 is no continuing default in the payment of the principal of, premium, if any, or interest on the Bond, the  
21 City may authorize its payment (without surrender except in the case of a damaged or mutilated Bond)  
22 instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in  
23 this PART.

24 (d) Prior to the issuance of any replacement Bond, the Paying Agent/Registrar shall charge the  
25 owner of the Bond with all legal, printing, and other expenses in connection with the replacement. Every  
26 replacement Bond issued pursuant to the provisions of this Ordinance by virtue of the fact that any Bond  
27 is damaged, mutilated, lost, stolen, or destroyed shall constitute a contractual obligation of the City  
28 whether the damaged, mutilated, lost, stolen, or destroyed Bond shall be found, or be enforceable by  
29 anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and  
30 all other Bonds duly issued under this Ordinance.

31 (e) In accordance with Chapter 1206, this PART constitutes authority for the issuance of any  
32 such replacement Bond without necessity of further action by Council or any other body or person, and  
33 the duty of the replacement of the Bonds is authorized and imposed on the Paying Agent/Registrar, subject  
34 to the conditions imposed by this PART, and the Paying Agent/Registrar shall authenticate and deliver  
35 the Bonds in the form and manner and with the effect, as provided in PART 7(d) of this Ordinance for  
36 Bonds issued in exchange for other Bonds.

#### 37 **PART 11. SUBMISSION OF PROCEEDINGS TO ATTORNEY GENERAL.**

38 The Mayor, or his designee, and each Authorized Representative, is authorized to have control of  
39 the Bonds and all necessary records and proceedings pertaining to the Bonds pending their delivery and  
40 their investigation, examination and approval by the Texas Attorney General and their registration by the

1 Texas Comptroller of Public Accounts. Upon registration of the Bonds, the Comptroller (or a deputy  
2 designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration  
3 Certificate accompanying the Bonds, and the seal of the Comptroller shall be impressed, or placed in  
4 facsimile, on each certificate. After registration by the Comptroller, delivery of the Bonds shall be made  
5 to the Purchasers, under and subject to the general supervision and direction of the Mayor or an Authorized  
6 Representative, against receipt by the City of all amounts due to the City under the terms of sale. Council  
7 authorizes the payment of the fee of the Office of the Attorney General of the State of Texas for the  
8 examination of the proceedings relating to the issuance of the Bonds, in the amount determined in  
9 accordance with the provisions of Section 1202.004, Texas Government Code.

## 10 11 **PART 12. SALE OF BONDS; OFFICIAL STATEMENT.**

12 (a) The Bonds shall be sold to the Purchasers at the price set forth in the Pricing Certificate,  
13 and delivery of the Bonds to the Purchasers shall be made upon receipt of payment in accordance with the  
14 terms of the Bidding Instructions. An Authorized Representative is authorized and directed to execute the  
15 Pricing Certificate and the Official Bid Form on behalf of the City, and the Mayor, Mayor Pro Tem, City  
16 Manager, Chief Financial Officer, City Clerk, and all other officials, agents and representatives of the City  
17 are authorized to execute and deliver any agreements, certificates, instruments and other documents, and  
18 do any and all things necessary or desirable to satisfy the conditions set out in the documents, to provide  
19 for the issuance and delivery of the Bonds.

20 (b) Council ratifies, authorizes and approves, in connection with the sale of the Bonds, the  
21 preparation and distribution of the Preliminary Official Statement and a final Official Statement,  
22 substantially in the form of the Preliminary Official Statement, containing additional information and  
23 amendments as may be necessary to conform to the terms of the Bonds, this Ordinance, the Bidding  
24 Instructions, the Official Bid Form and the Pricing Certificate, and the Preliminary Official Statement is  
25 deemed final as of its date within the meaning and for the purposes of paragraph (b)(1) of the Rule. An  
26 Authorized Representative is authorized to approve amendments and supplements to the Official  
27 Statement as either of them shall deem necessary or appropriate. The Mayor and City Clerk are authorized  
28 to execute the final Official Statement by manual, facsimile or electronic signature and/or to deliver a  
29 certificate pertaining to the final Official Statement as prescribed in the Official Statement, dated as of the  
30 date of payment for and delivery of the Bonds.

31 (c) The Mayor, Mayor Pro Tem, City Manager, City Clerk, Chief Financial Officer and all  
32 other officials, agents and representatives of the City are authorized to take actions as any officer, official,  
33 agent or representative shall approve in seeking ratings on the Bonds from one or more nationally  
34 recognized statistical ratings organizations, or any confirmation of ratings issued by a rating agency, and  
35 these actions are ratified and confirmed.

36 (d) Proceeds from the sale of the Bonds shall be disbursed in the amounts and for the purposes  
37 set forth in the Pricing Certificate. An Authorized Representative may provide for the establishment of  
38 any fund, account or subaccount as deemed necessary or appropriate for the safekeeping and  
39 administration of proceeds from the sale of the Bonds pending their disbursement for authorized purposes.

40 (e) An Authorized Representative shall not execute the Official Bid Form unless the best  
41 bidder has confirmed to an Authorized Representative that either it has made disclosure filings to the  
42 Texas Ethics Commission in accordance with Section 2252.908, Texas Government Code or is exempt

1 from making filings under Section 2252.008(c)(4), Texas Government Code. Within 30 days of receipt  
2 of the disclosure filings from the best bidder for the Bonds, the City will submit a copy of the disclosure  
3 filings to the Texas Ethics Commission.

#### 4 **PART 13. COVENANTS TO MAINTAIN TAX EXEMPT STATUS.**

5 The City covenants to refrain from any action which would adversely affect, or to take any action  
6 to assure, the treatment of the Bonds as obligations described in section 103 of the Code, the interest on  
7 which is not includable in the "gross income" of the holder for purposes of federal income taxation. The  
8 City covenants as follows:  
9

10 (a) to take any action to assure that no more than 10 percent of the proceeds of the  
11 Bonds or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used  
12 for any "private business use", as defined in section 141(b)(6) of the Code or, if more than 10  
13 percent of the proceeds are so used, that amounts, whether or not received by the City, with respect  
14 to such private business use, do not, under the terms of this Ordinance or any underlying  
15 arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of  
16 the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;  
17

18 (b) to take any action to assure that in the event that the "private business use" described  
19 in subsection (a) hereof exceeds 5 percent of the proceeds of the Bonds or the projects financed  
20 therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent  
21 is used for a "private business use" which is "related" and not "disproportionate", within the  
22 meaning of section 141(b)(3) of the Code, to the governmental use;  
23

24 (c) to take any action to assure that no amount which is greater than the lesser of  
25 \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund,  
26 if any), is directly or indirectly used to finance loans to persons, other than state or local  
27 governmental units, in contravention of section 141(c) of the Code;  
28

29 (d) to refrain from taking any action which would otherwise result in the Bonds being  
30 treated as "private activity bonds" within the meaning of section 141(a) of the Code;  
31

32 (e) to refrain from taking any action that would result in the Bonds being "federally  
33 guaranteed" within the meaning of section 149(b) of the Code;  
34

35 (f) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly,  
36 to acquire or to replace funds which were used, directly or indirectly, to acquire investment  
37 property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield  
38 over the term of the Bonds, other than investment property acquired with --  
39

40 (1) proceeds of the Bonds invested for a reasonable temporary period, until  
41 such proceeds are needed for the purpose for which the Bonds are issued,  
42

43 (2) amounts invested in a bona fide debt service fund, within the meaning of  
44 section 1.148-1(b) of the Treasury Regulations, and  
45

1 (3) amounts deposited in any reasonably required reserve or replacement fund  
2 to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;  
3

4 (g) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as  
5 proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the  
6 requirements of section 148 of the Code (relating to arbitrage);  
7

8 (h) to refrain from using the proceeds of the Bonds or the proceeds of any prior bonds  
9 to pay debt service on another issue more than ninety (90) days after the issuance of the Bonds in  
10 contravention of section 149(d) of the Code (relating to advance refundings); and  
11

12 (i) to pay to the United States of America at least once during each five-year period  
13 (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of  
14 the "excess earnings", within the meaning of section 148(f) of the Code, and to pay to the United  
15 States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the  
16 amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.  
17

18 The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury  
19 Regulations and, in the case of a refunding bond, transferred proceeds (if any) and proceeds of the  
20 refunded bonds expended prior to the date of the issuance of the Bonds. It is the understanding of the City  
21 that the covenants contained herein are intended to assure compliance with the Code and any regulations  
22 or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that  
23 regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as  
24 applicable to the Bonds, the City will not be required to comply with any covenant contained herein to the  
25 extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely  
26 affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code.  
27 In the event that regulations or rulings are hereafter promulgated which impose additional requirements  
28 which are applicable to the Bonds, the City agrees to comply with the additional requirements to the extent  
29 necessary, in the opinion of nationally-recognized bond counsel, to preserve the exemption from federal  
30 income taxation of interest on the Bonds under section 103 of the Code. In furtherance of the foregoing,  
31 the Mayor, the City Manager, any Assistant City Manager, the Chief Financial Officer, any Deputy  
32 Financial Officer and the City Treasurer may execute any certificates or other reports required by the Code  
33 and make such elections, on behalf of the City, which may be permitted by the Code as are consistent with  
34 the purpose for the issuance of the Bonds. In order to facilitate compliance with the above clause (i), a  
35 "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and  
36 such Rebate Fund shall not be subject to the claim of any other person, including without limitation the  
37 registered owners of the Bonds. The Rebate Fund is established for the additional purpose of compliance  
38 with section 148 of the Code.  
39

40 The City covenants to account for on its books and records the expenditure of proceeds from the  
41 sale of the Bonds and any investment earnings thereon to be used to finance the Projects described in  
42 Schedule I by allocating proceeds to expenditures within eighteen (18) months of the later of the date that  
43 (a) the expenditure on a Project is made or (b) each Project is completed. The City shall not expend such  
44 proceeds or investment earnings more than 60 days after the later of (a) the fifth anniversary of the date  
45 of delivery of the Bonds or (b) the date the Bonds are retired, unless the City obtains an opinion of  
46 nationally-recognized bond counsel substantially to the effect that the expenditure will not adversely affect

1 the tax-exempt status of the Bonds. The City shall not be obligated to comply with this covenant if it  
2 obtains an opinion of nationally-recognized bond counsel to the effect that the failure to comply will not  
3 adversely affect the excludability for federal income tax purposes from gross income of the interest.  
4

5 The City covenants that the property financed or refinanced with the proceeds of the Bonds will  
6 not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other  
7 compensation, unless the City obtains an opinion of nationally-recognized bond counsel substantially to  
8 the effect that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds.  
9 The portion of the property comprising personal property and disposed of in the ordinary course of  
10 business shall not be treated as a transaction resulting in the receipt of cash or other compensation. The  
11 City shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized  
12 bond counsel to the effect that the failure to comply will not adversely affect the excludability for federal  
13 income tax purposes from gross income of the interest.  
14

#### 15 **PART 14. CONTINUING DISCLOSURE OBLIGATION.**

##### 16 (a) *Annual Reports.*

17 (i) The City shall provide annually to the MSRB, (A) within six months after the end  
18 of each fiscal year of the City, financial information and operating data with respect to the City of  
19 the general type included in the final Official Statement authorized by PART 12 of this Ordinance,  
20 being information of the type described in the final Official Statement, including financial  
21 statements of the City if audited financial statements of the City are then available, and (B) if not  
22 provided as part of the financial information and operating data, audited financial statements of  
23 the City, when and if available. Any financial statements to be provided shall be (x) prepared in  
24 accordance with the accounting principles described in the final Official Statement, or other  
25 accounting principles as the City may be required to employ from time to time pursuant to state  
26 law or regulation, and in substantially the form included in the final Official Statement, and  
27 (y) audited, if the City commissions an audit of the financial statements and the audit is completed  
28 within the period during which they must be provided. If the audit of the financial statements is  
29 not complete within 12 months after any fiscal year end, then the City shall file unaudited financial  
30 statements within the 12-month period and audited financial statements for the applicable fiscal  
31 year, when and if the audit report on the financial statements becomes available.

32 (ii) If the City changes its fiscal year, it will notify the MSRB of the change (and of the  
33 date of the new fiscal year end) before the next date the City would be required to provide financial  
34 information and operating data pursuant to this PART.

35 The financial information and operating data to be provided pursuant to this PART may be  
36 set forth in full in one or more documents or may be included by specific reference to any document  
37 (including an official statement or other offering document) available to the public on the MSRB's  
38 website or filed with the SEC. Filings shall be made electronically, accompanied by identifying  
39 information as prescribed by the MSRB.

40 (b) *Disclosure Event Notices.* The City shall notify the MSRB in an electronic format  
41 prescribed by the MSRB, in a timely manner not in excess of 10 Business Days after the occurrence of  
42 the event, of any of the following events with respect to the Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of holders of the Bonds, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the City;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (xiv) Appointment of a successor Paying Agent/Registrar or change in the name of the Paying Agent/Registrar, if material.

As used in clause (xii) above, the phrase “bankruptcy, insolvency, receivership or similar event” means the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if jurisdiction has been assumed by leaving Council and officials or officers of the City in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

The City shall notify the MSRB in an electronic format prescribed by the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (a) of this PART by the time required by subsection (a).

(c) *Limitations, Disclaimers, and Amendments.* The City shall be obligated to observe and perform the covenants named in this PART for only so long as the City remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the City will give written notice of any deposit made in accordance with this Ordinance, or applicable law, that causes any Bond no longer to be outstanding.

The provisions of this PART are for the sole benefit of the holders and beneficial owners of the Bonds, and nothing in this PART, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this

1 PART and does not undertake to provide any other information that may be relevant or material to a  
2 complete presentation of the City's financial results, condition, or prospects or to update any information  
3 provided in accordance with this PART or otherwise, except as expressly provided in this Ordinance. The  
4 City does not make any representation or warranty concerning the information or its usefulness to a  
5 decision to invest in or sell Bonds at any future date.

6 UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR  
7 BENEFICIAL OWNER OF ANY OBLIGATION OR ANY OTHER PERSON, IN CONTRACT OR  
8 TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE  
9 CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT  
10 SPECIFIED IN THIS PART, BUT EVERY RIGHT AND REMEDY OF ANY PERSON, IN  
11 CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY BREACH SHALL BE LIMITED TO AN  
12 ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

13 No default by the City in observing or performing its obligations under this PART shall comprise  
14 a breach of or default under this Ordinance for purposes of any other provision of this Ordinance. Nothing  
15 in this PART is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under  
16 federal and state securities laws.

17 The provisions of this PART may be amended by the City from time to time to adapt to changed  
18 circumstances that arise from a change in legal requirements, a change in law, or a change in the identity,  
19 nature, status, or type of operations of the City, but only if (1) the provisions of this PART, as amended,  
20 would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in  
21 compliance with the Rule, taking into account any amendments or interpretations of the Rule since the  
22 offering as well as the changed circumstances and (2) either (a) the holders of a majority in aggregate  
23 principal amount (or any greater amount required by any other provision of this Ordinance that authorizes  
24 an amendment) of the outstanding Bonds consent to the amendment or (b) a person that is unaffiliated  
25 with the City (such as nationally-recognized bond counsel) determines that the amendment will not  
26 materially impair the interest of the holders and beneficial owners of the Bonds. If the City amends the  
27 provisions of this PART, it shall include with the next financial information and operating data provided  
28 in accordance with subsection (a) of this PART an explanation, in narrative form, of the reason for the  
29 amendment and of the impact of any change in the type of financial information or operating data so  
30 provided. The City may also amend or repeal the provisions of this continuing disclosure agreement if  
31 the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters  
32 judgment that the provisions of the Rule are invalid, but only if and to the extent that the provisions of this  
33 sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary  
34 offering of the Bonds. Should the Rule be amended to obligate the City to make filings with or provide  
35 notices to entities other than the MSRB, the City agrees to undertake such obligation in accordance with  
36 the Rule as amended.

## 37 **PART 15. DTC REGISTRATION.**

39 The Bonds initially shall be issued and delivered in the manner that no physical distribution of the  
40 Bonds will be made to the public, and DTC initially will act as depository for the Bonds. DTC has  
41 represented that it is a limited purpose trust company incorporated under the laws of the State of New  
42 York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New  
43 York Uniform Commercial Code, and a "clearing agency" registered under Section 17A of the Securities



1 Exchange Act of 1934, as amended, and the City accepts, but in no way verifies, the representations of  
2 DTC. The Bonds initially authorized by this Ordinance intended to be held by DTC shall be delivered to  
3 and registered in the name of Cede & Co., the nominee of DTC. It is expected that DTC will hold the  
4 Bonds on behalf of the Purchasers and their participants. So long as each Bond is registered in the name  
5 of Cede & Co., the Paying Agent/Registrar shall treat and deal with DTC the same in all respects as if it  
6 were the actual and beneficial owner. It is expected that DTC will maintain a book-entry system, which  
7 will identify ownership of the Bonds in Authorized Denominations, with transfers of ownership being  
8 effected on the records of DTC and its participants pursuant to rules and regulations established by them,  
9 and that the Bonds initially deposited with DTC shall be immobilized and not be further exchanged for  
10 substitute Bonds except as set forth in this Ordinance. The City and the Paying Agent/Registrar are not  
11 responsible or liable for any functions of DTC, will not be responsible for paying any fees or charges with  
12 respect to its services, will not be responsible or liable for maintaining, supervising, or reviewing the  
13 records of DTC or its participants, or protecting any interests or rights of the beneficial owners of the  
14 Bonds. It shall be the duty of the DTC Participants, as defined in the Official Statement, to make all  
15 arrangements with DTC to establish this book-entry system, the beneficial ownership of the Bonds, and  
16 the method of paying the fees and charges of DTC. The City does not represent, nor does it in any way  
17 covenant that the initial book-entry system established with DTC will be maintained in the future.  
18 Notwithstanding the initial establishment of the foregoing book-entry system with DTC, if for any reason  
19 any of the originally delivered Bonds is duly filed with the Paying Agent/Registrar with proper request  
20 for transfer and substitution, as provided for in this Ordinance, substitute Bonds will be duly delivered as  
21 provided in this Ordinance, and there will be no assurance or representation that any book-entry system  
22 will be maintained for the Bonds. In connection with the initial establishment of the foregoing book-entry  
23 system with DTC, the City has executed a "Blanket Letter of Representations" prepared by DTC in order  
24 to implement the book-entry system described above.

## 25 **PART 16. DEFEASANCE.**

26 (a) *Defeased Bonds.* Except as otherwise provided in the Pricing Certificate, any Bond will  
27 be treated as a Defeased Bond, except to the extent provided in subsection (d) of this PART, when payment  
28 of the principal of the Bond, plus interest to the due date (whether the due date be by reason of maturity,  
29 redemption or otherwise) either (i) shall have been made or caused to be made in accordance with the  
30 terms of this Ordinance, or (ii) shall have been provided for on or before the due date by irrevocably  
31 depositing with or making available to the Paying Agent/Registrar or any commercial bank or trust  
32 company authorized to serve as escrow agent for the Bonds in accordance with a Future Escrow  
33 Agreement for the payment of the Bond (1) lawful money of the United States of America sufficient to  
34 make the payment or (2) Defeasance Securities to mature as to principal and interest in the amounts and  
35 at the time as will ensure the availability, without reinvestment, of sufficient money to provide for the  
36 payment, and when proper arrangements have been made by the City with the Paying Agent/Registrar for  
37 the payment of its services until all Defeased Bonds shall have become due and payable. There shall be  
38 delivered to the Paying Agent/Registrar a certificate of a qualified financial professional or a report from  
39 a firm of certified public accountants evidencing the sufficiency of the deposit made pursuant to clause  
40 (ii) above. The Paying Agent/Registrar shall also receive an opinion of bond counsel acceptable to the  
41 City that reflects this payment does not adversely affect the exclusion under the Code of interest on the  
42 Defeased Bonds from the gross income of the holders for federal income taxation purposes. At the time  
43 as a Bond shall be considered to be a Defeased Bond, the Bond and the interest on that Bond shall no  
44 longer be secured by, payable from, or entitled to the benefits of the ad valorem taxes levied and pledged

as provided in this Ordinance, and the principal and interest shall be payable solely from the money or Defeasance Securities.

(b) *Investment in Defeasance Securities.* Any funds deposited with the Paying Agent/Registrar may at the written direction of the City be invested in Defeasance Securities, maturing in the amounts and times as set forth in this Ordinance, and all income from these Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Bonds and interest, with respect to which money has been deposited, shall be turned over to the City, or deposited as directed in writing by the City. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Bonds may contain provisions permitting the investment or reinvestment of the moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements described in subsections (a) (i) or (ii) of this PART. All income from the Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Bonds, with respect to which money has been so deposited, shall be remitted to the City or deposited as directed in writing by the City. The Paying Agent/Registrar shall not be liable for any loss pertaining to an investment executed in accordance with written instructions from the City.

(c) *Paying Agent/Registrar Services.* Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for the Defeased Bonds as if they had not been defeased, and the City shall make proper arrangements to provide and pay for the services as required by this Ordinance.

(d) *Selection of Bonds for Defeasance.* In the event that the City elects to defease less than all of the principal amount of Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, the amount of Bonds by the random method as it considers fair and appropriate.

## **PART 17. DEFAULT AND REMEDIES.**

(a) *Events of Default.* Each of the following occurrences or events is an Event of Default:

(i) the failure to pay the principal of or interest on any Bond when it becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the Registered Owners of the Bonds, including their prospect or ability to be repaid in accordance with this Ordinance, and the continuation for a period of 60 days after notice of the default is given by any Registered Owner to the City.

(b) *Remedies for Default.*

(i) When any Event of Default occurs, any Registered Owner or the Registered Owner's authorized representative, including a trustee or trustees, may proceed against the City, or any official, officer or employee of the City in their official capacity, for the purpose of protecting and enforcing the rights of the Registered Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement

1 contained in this Ordinance, or to enjoin any act or thing that may be unlawful or in violation of  
2 any right of the Registered Owners or any combination of remedies only as authorized by law.

3 (ii) All default proceedings shall be instituted and maintained for the equal benefit of  
4 all Registered Owners of outstanding Bonds.

5 (c) *Remedies Not Exclusive.*

6 (i) No remedy in this Ordinance is exclusive of any other available remedy, but each  
7 remedy shall be cumulative and shall be in addition to every other remedy given in this Ordinance  
8 or under the Bonds; however, there is no right to accelerate the debt evidenced by the Bonds.

9 (ii) The exercise of any remedy in this Ordinance shall not be considered a waiver of  
10 any other available remedy.

11 (iii) By accepting the delivery of a Bond authorized under this Ordinance, the  
12 Registered Owner agrees that the certifications required to effect any covenants or representations  
13 contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary  
14 liability or charge against the officers or employees of the City or Council.

15 (iv) None of the members of Council, nor any other official or officer, agent, or  
16 employee of the City, shall be charged personally by the Registered Owners with any liability, or  
17 be held personally liable to the Registered Owners under any term or provision of this Ordinance,  
18 or because of any Event of Default or alleged Event of Default under this Ordinance.

19 **PART 18. OFFICIALS MAY ACT ON BEHALF OF THE CITY.**

20 (a) The Mayor, the Mayor Pro Tem, the City Clerk, the City Manager, any Assistant City  
21 Manager, the Chief Financial Officer, or any Deputy Chief Financial Officer, and all other officers,  
22 employees, and agents of the City, and each of them, shall be authorized, empowered, and directed to do  
23 and perform all acts and things and to execute, acknowledge, and deliver in the name and under the seal  
24 and on behalf of the City all instruments as may be necessary or desirable in order to carry out the terms  
25 and provisions of this Ordinance, the Bonds, the Pricing Certificate, the offering documents prepared in  
26 connection with the sale of the Bonds, the offering documents prepared in connection with the sale of the  
27 Bonds, or the Paying Agent/Registrar Agreement. In case any officer whose signature appears on any  
28 Bond shall stop being the officer before the delivery of the Bond, the signature shall nevertheless be valid  
29 and sufficient for all purposes as if he or she had remained in office until the delivery.

30 (b) The Mayor, the Mayor Pro Tem and any Authorized Representative are each authorized to  
31 make or approve such revisions, additions, deletions, and variations to this Ordinance that, in their  
32 judgment and in the opinion of Bond Counsel to the City, may be necessary or convenient to carry out or  
33 assist in carrying out the purposes of this Ordinance, the Bidding Instructions, the Official Bid Form, the  
34 Pricing Certificate, the Paying Agent/Registrar Agreement, the Preliminary Official Statement and the  
35 final Official Statement or as may be required for approval of the Bonds by the Attorney General of Texas.

36 (c) Any duty, responsibility, privilege, power or authority conferred by this Ordinance upon  
37 an officer shall extend to an individual who occupies such office in an interim, acting or provisional  
38 capacity.

1           **PART 19.     RULES OF CONSTRUCTION.**

2           For all purposes of this Ordinance, unless the context requires otherwise, all references to  
3 designated PARTS and other subdivisions are to the PARTS and other subdivisions of this Ordinance.  
4 Except where the context otherwise requires, terms defined in this Ordinance to impart the singular  
5 number shall be considered to include the plural number and vice versa. References to any named person  
6 shall mean that party and his or her successors and assigns. Any duty, responsibility, privilege, power or  
7 authority conferred by this Ordinance upon an official or officer shall extend to an individual who occupies  
8 such office in an interim, acting or provisional capacity. References to any constitutional, statutory or  
9 regulatory provision means the provision as it exists on the date this Ordinance is adopted by the City.  
10 Any reference to the payment of principal in this Ordinance shall include the payment of any mandatory  
11 sinking fund redemption payments as described in this Ordinance. Any reference to "Form of Bond"  
12 refers to the form of the Bonds in Exhibit A to this Ordinance. The titles and headings of the PARTS and  
13 subsections of this Ordinance have been inserted for convenience of reference only and are not a part of  
14 this Ordinance and shall not in any way modify or restrict any of its terms or provisions.

15           **PART 20.     CONFLICTING ORDINANCES REPEALED.**

16           All ordinances and resolutions or parts in conflict with this Ordinance are repealed.

17           **PART 21.     IMMEDIATE EFFECT.**

18           In accordance with the provisions of Section 1201.028, Texas Government Code, this Ordinance  
19 is effective immediately upon its adoption by Council.

20                           [The remainder of this page is intentionally left blank]

**PASSED AND APPROVED AND EFFECTIVE AUGUST 23, 2018.**

\_\_\_\_\_  
Steve Adler,  
Mayor,  
City of Austin, Texas

ATTEST:

\_\_\_\_\_  
Jannette S. Goodall,  
City Clerk,  
City of Austin, Texas

(SEAL)

APPROVED:

\_\_\_\_\_  
Anne L. Morgan,  
City Attorney,  
City of Austin, Texas

**EXHIBIT A**

Form of Bond

NO. R-\_\_

\$\_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TEXAS

CITY OF AUSTIN, TEXAS  
PUBLIC IMPROVEMENT BOND  
SERIES 2018

|                      |                      |                   |                  |
|----------------------|----------------------|-------------------|------------------|
| <u>Maturity Date</u> | <u>Interest Rate</u> | <u>Dated Date</u> | <u>CUSIP No.</u> |
| September 1, 20__    | _____%               | _____, 2018       |                  |

ON THE MATURITY DATE SPECIFIED ABOVE, THE CITY OF AUSTIN, TEXAS (the "City"), in the Counties of Travis, Williamson and Hays, hereby promises to pay to

\_\_\_\_\_ or to the registered assignee hereof (either being hereinafter called the "registered owner") the principal amount of:

\_\_\_\_\_ DOLLARS

and to pay interest thereon, from the Dated Date specified above, to the Maturity Date specified above, or the date of its redemption prior to scheduled maturity, at the rate of interest per annum specified above, with said interest being payable on March 1, 2019, and semiannually on each September 1 and March 1 thereafter; except that if the Paying Agent/Registrar's Authentication Certificate appearing on the face of this Bond is dated later than March 1, 2019, such interest is payable semiannually on each September 1 and March 1 following such date.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity or redemption prior to maturity at the designated corporate trust office in \_\_\_\_\_, Texas (the "Designated Payment/Transfer Office") of \_\_\_\_\_, which is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof as shown by the Registration Books kept by the Paying Agent/Registrar at the close of business on the record date, which is the 15th day of the month next preceding such interest payment date by check, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof at its address as it appears on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. Any accrued interest due at maturity

or upon redemption of this Bond prior to maturity as provided herein shall be paid to the registered owner upon presentation and surrender of this Bond for redemption and payment at the Designated Payment/Transfer Office of the Paying Agent/Registrar. The City covenants with the registered owner of this Bond that no later than each principal payment and/or interest payment date for this Bond it will make available to the Paying Agent/Registrar from the Interest and Sinking Fund as defined by the ordinance authorizing the Bonds (the "Ordinance") the amounts required to provide for the payment, in immediately available funds, of all principal of, premium, if any, and interest on the Bonds, when due.

IN THE EVENT OF A NON-PAYMENT of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest ("Special Payment Date," which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each registered owner of a Bond appearing on the registration books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

IF THE DATE for the payment of the principal of, premium, if any, or interest on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, any payment to the securities depository, or its nominee or registered assigns, shall be made in accordance with existing arrangements between the City and the securities depository.

THIS BOND is one of a series of Bonds of like tenor and effect except as to number, principal amount, interest rate, maturity and option of redemption, authorized in accordance with the Constitution and laws of the State of Texas in the aggregate principal amount of \$\_\_\_\_\_, for the purpose of providing funds with which to (i) make and acquire various public improvements for the City, as described in the Ordinance, and (ii) pay the costs of issuance associated with the sale of the Bonds.

ON SEPTEMBER 1, 20\_\_\_\_, or on any date thereafter, the Bonds of this series maturing on September 1, 20\_\_\_\_, and thereafter may be redeemed prior to their scheduled maturities, at the option of the City, in whole, or in part, at a price equal to the principal amount thereof, plus accrued interest to the date fixed for redemption. The years of maturity of the Bonds called for redemption at the option of the City prior to stated maturity shall be selected by the City. The Bonds or portions thereof redeemed within a maturity shall be selected by lot or other customary random selection method by the Paying Agent/Registrar; provided, that during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed,

the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and the securities depository.

THE BONDS maturing on September 1, 20\_\_ (the "Term Bonds") are subject to mandatory sinking fund redemption in part by lot or other customary random selection method pursuant to the terms of the Ordinance, on September 1 in the following years and in the following amounts, at a price equal to the principal amount thereof, plus accrued and unpaid interest to the date of redemption, without premium:

| <u>Year</u> | <u>Principal Amount</u> |
|-------------|-------------------------|
|             | \$                      |
|             | *                       |

\* Final Maturity

THE PRINCIPAL AMOUNT of the Term Bonds required to be redeemed pursuant to the operation of such mandatory redemption provisions may be reduced, at the option of the City, by the principal amount of the Term Bonds of the same maturity which (i) have been acquired by the City with funds on deposit in the Interest and Sinking Fund for the Bonds at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase and delivered to the Paying Agent/Registrar for cancellation or (ii) have been redeemed pursuant to the optional redemption provisions above and not theretofore credited against a mandatory redemption requirement.

AT LEAST thirty (30) days prior to the date fixed for any redemption, a written notice of redemption shall be given to the registered owner of each Bond or a portion thereof being called for redemption by depositing such notice in the United States mail, first class postage prepaid, addressed to each such registered owner at his address shown on the Registration Books of the Paying Agent/Registrar. By the date fixed for any redemption due provision shall be made by the City with the Paying Agent/Registrar for the payment of the required redemption price for this Bond or the portion hereof which is to be so redeemed, plus accrued interest thereon to the date fixed for redemption. If notice of redemption is given, and if due provision for such payment is made, all as provided above, this Bond, or the portion hereof which is to be so redeemed, thereby automatically shall be redeemed prior to its scheduled maturity, and shall not bear interest after the date fixed for its redemption, and shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price plus accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the funds provided for payment. The Paying Agent/Registrar shall record in the Registration Books all redemptions of principal of this Bond or any portion hereof. If a portion of any Bond shall be redeemed, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Ordinance. With respect to any optional redemption of the Bonds, unless certain prerequisites to such optional redemption required by the Ordinance have been met and money sufficient to pay the principal of, premium, if any, and interest on the Bonds to be redeemed will have been received by the Paying Agent/Registrar prior to giving such notice, such notice may



state that the optional redemption will, at the option of the City, be conditional upon the satisfaction of such prerequisites and receipt of such money by the Paying Agent/Registrar on or prior to the date fixed for such redemption or upon any prerequisite set forth in the notice of redemption. If a notice of conditional redemption is given and such prerequisites to the redemption are not satisfied, such notice will be of no force and effect, the City will not redeem such Bonds and the Paying Agent/Registrar will give notice in the manner in which the notice of redemption was given, to the effect that such Bonds will not be redeemed.

ALL BONDS OF THIS SERIES are issuable solely as fully registered bonds, without interest coupons, in the denomination of any integral multiple of \$5,000 (an "Authorized Denomination"). As provided in the Ordinance, this Bond may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, and exchanged for a like aggregate principal amount of fully registered bonds, without interest coupons, payable to the appropriate registered owner, assignee, or assignees, as the case may be, having the same maturity date, and bearing interest at the same rate, in any Authorized Denomination as requested in writing by the appropriate registered owner, assignee, or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar at its Designated Payment/Transfer Office for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be transferred and registered. The form of Assignment printed or endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the registered owner. The one requesting such exchange shall pay the Paying Agent/Registrar's reasonable standard or customary fees and charges for exchanging any Bond or portion thereof. The foregoing notwithstanding, in the case of the exchange of an assigned and transferred Bond or Bonds or any portion or portions thereof, such fees and charges of the Paying Agent/Registrar will be paid by the City. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, or exchange as a condition precedent to the exercise of such privilege. In any circumstance, neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond so selected for redemption, in whole or in part, within forty-five (45) calendar days of the date fixed for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the registered owner of the uncalled principal of a Bond.

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

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it promptly will

appoint a competent and legally qualified substitute therefor, and promptly will cause written notice thereof to be mailed to the registered owners of the Bonds.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond, and the series of which it is a part, is duly authorized by law; that the bonds issued for the public improvements heretofore described were approved by a vote of the resident, qualified electors of the City of Austin, Texas, voting at an election held for that purpose by the City on November 6, 2012 and November 8, 2016, that all acts, conditions and things required to be done precedent to and in the issuance of this series of bonds, and of this Bond, have been properly done and performed and have happened in regular and due time, form and manner as required by law; that sufficient and proper provision for the levy and collection of ad valorem taxes has been made, which, when collected, shall be appropriated exclusively to the payment of this Bond and the series of which it is a part; and that the total indebtedness of the City of Austin, Texas, including the entire series of bonds of which this is one, does not exceed any constitutional or statutory limitation.

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

IN WITNESS WHEREOF, this Bond has been duly executed on behalf of the City, under its official seal, in accordance with law.

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City Clerk,  
City of Austin, Texas

---

Mayor,  
City of Austin, Texas

(SEAL)

\* \* \* \* \*

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE:

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Bond is not accompanied by an  
executed Registration Certificate of the Comptroller  
of Public Accounts of the State of Texas)

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

Dated: \_\_\_\_\_

[\_\_\_\_\_] ,  
Paying Agent/Registrar

By: \_\_\_\_\_  
Authorized Representative

\* \* \* \* \*

FORM OF COMPTROLLER'S CERTIFICATE (ATTACHED TO  
THE BONDS UPON INITIAL DELIVERY THEREOF):

OFFICE OF COMPTROLLER :  
STATE OF TEXAS :

REGISTER NO. \_\_\_\_\_

I hereby certify that there is on file and of record in my office a true and correct copy of the opinion of the Attorney General of the State of Texas approving this Bond and that this Bond has been registered this day by me.

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

\_\_\_\_\_  
Comptroller of Public Accounts of the  
State of Texas

(SEAL)

\* \* \* \* \*

FORM OF ASSIGNMENT:

ASSIGNMENT

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

\_\_\_\_\_  
Please insert Social Security or Taxpayer Identification Number of Transferee

\_\_\_\_\_  
/\_\_\_\_\_/

\_\_\_\_\_  
(please print or typewrite name and address, including zip code of Transferee)

\_\_\_\_\_  
the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints  
\_\_\_\_\_  
attorney to register the transfer of  
the within Bond on the books kept for registration thereof, with full power of substitution in the  
premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

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

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

**SCHEDULE I**  
(\*Amounts in thousands)

| <b><u>Purpose</u></b>                                  | <b><u>Total Amount<br/>Authorized*</u></b> | <b><u>Amount<br/>Previously<br/>Issued*</u></b> | <b><u>Amount<br/>Being<br/>Issued*</u></b> | <b><u>Unissued<br/>Amount*</u></b> |
|--|--|---|--|------------------------------------|
| <u>10/22/83 Election</u><br>Brackenridge 2000          | \$ 50,000                                  | \$ 40,785                                       | \$0  | \$9,215                            |
| <u>09/08/84 Election</u><br>Park Improvements          | 9,975                                      | 9,648   | 0  | 327                                |
| <u>1/19/85 Election</u><br>Cultural Arts               | 20,285                                     | 14,890  | 0  | 5,395                              |
| <u>11/7/06 Election</u><br>Cultural Facilities         | 31,500                                     | 27,500  | 0  | 4,000                              |
| Public Safety Improvements                             | 58,100                                     | 53,100  | 0  | 5,000                              |
| <u>11/6/12 Election</u><br>Transportation and Mobility | 143,299                                    | 113,520   | 12,170                                     | 17,609                             |
| Park Improvements                                      | 77,680                                     | 59,190  | 3,790                                      | 14,700                             |
| Public Safety Improvements                             | 31,079                                     | 28,065  | 0  | 3,014                              |
| Health and Human Services                              | 11,148                                     | 9,550   | 1,595                                      | 3                                  |
| Library, Museum and Cultural Arts                      | 13,442                                     | 9,840   | 0  | 3,602                              |
| <u>11/5/13 Election</u><br>Affordable Housing          | 65,000                                     | 55,000  | 7,000 <sup>1</sup>                         | 3,000                              |
| <u>11/8/16 Election</u><br>Transportation and Mobility | <u>720,000</u>                             | <u>43,000</u>                                   | <u>51,500</u>                              | <u>625,500</u>                     |
| <b>TOTAL</b>   | <b>\$1,231,508</b>                         | <b>\$464,088</b>                                | <b>\$ 76,055</b>                           | <b>\$691,365</b>                   |

<sup>1</sup> Funded from the City's Public Improvement Bonds, Taxable Series 2018, issued pursuant to a separate ordinance presented for approval concurrently with this Ordinance.