

1
2
3
4
5
6
7
8
9
0
1
2
3
4
5
6
7
8
9
0
1
2
3
4
5
6
7
8
9
0
1
2
3
4
5
6
7
8

Council desires to delegate to the Authorized Representative (defined below) the authority to effect the sale of the Certificates authorized by this Ordinance, subject to the parameters prescribed by this Ordinance; and

The meeting at which this Ordinance is considered is open to the public as required by law, and the public notice of the time, place and purpose of the meeting was given as required by Chapter 551 of the Texas Government Code.

PART 2. DEFINITIONS.

The terms used in this Ordinance have the following meanings:

“Authentication Certificate” means the Paying Agent/Registrar’s Authentication Certificate, in the form identified in the Form of Certificate.

“Authorized Denomination” means \$5,000 or any integral multiple of \$5,000.

“Authorized Representative” means the City Manager or Acting or Interim City Manager or the Chief Financial Officer of the City.

“Bidding Instructions” means the bidding instructions prepared in connection with the sale of the Certificates pursuant to a competitive sale.

“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.

“Certificates” means the certificates of obligation of the City to be issued under authority of this Ordinance, including the Initial Certificate.

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

“Chapter 363” means Chapter 363 of the Texas Health and Safety Code.

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

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

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

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

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

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

75 “Comptroller” means the Comptroller of Public Accounts of the State of
76 Texas.

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

78 “Defeasance Securities” means any securities permitted by Section
79 1207.062, Texas Government Code (or any successor statute), including (i) direct,
80 noncallable obligations of the United States of America, including obligations that
81 are unconditionally guaranteed by the United States of America, (ii) noncallable
82 obligations of an agency or instrumentality of the United States of America,
83 including obligations that are unconditionally guaranteed or insured by the agency
84 or instrumentality and that, on the date of approval of the proceedings authorizing
85 the issuance of the refunding bonds, are rated as to investment quality by a
86 nationally recognized investment rating firm not less than “AAA” or its equivalent,
87 and (iii) noncallable obligations of a state or an agency or a county, municipality,
88 or other political subdivision of a state that have been refunded and that, on the
89 date of approval of the proceedings authorizing the issuance of the refunding
90 bonds, are rated as to investment quality by a nationally recognized investment
91 rating firm not less than “AAA” or its equivalent.

92 “Defeased Certificate” means any Certificate and the interest on the
93 Certificate that is considered to be paid, retired and no longer outstanding under
94 the terms of this Ordinance, specifically PART 17 of this Ordinance.

95 “Designated Payment/Transfer Office” means the office of the Paying
96 Agent/Registrar identified by the Paying Agent/Registrar as its Designated
97 Payment/Transfer Office for the purpose of discharging its duties under this
98 Ordinance.

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

100 “Event of Default” has the meaning described in PART 18 of this
101 Ordinance.

102 “Expiration Date” means March 1, 2024.

103 “Future Escrow Agreement” means an escrow agreement or other similar
104 instrument with respect to Defeased Certificates.

105 “Initial Certificate” has the meaning described in PART 12 of this
106 Ordinance.

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

109 “MSRB” means the Municipal Securities Rulemaking Board.

110 “Official Bid Form” means the bid form to be submitted by bidders seeking
111 to purchase the Certificates pursuant to a competitive sale.

112 “Paying Agent/Registrar” means the Paying Agent/Registrar, and its
113 successors and assigns as provided in the Paying Agent/Registrar Agreement and
114 the Official Statement.

115 “Paying Agent/Registrar Agreement” means the agreement between the City
116 and the Paying Agent/Registrar with respect to the Certificates in the form
117 approved by an Authorized Representative, and any successor agreement.

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

120 “Purchase Agreement” shall mean the Purchase Agreement among the Issuer
121 and the Underwriters, pertaining to the purchase of the Certificates sold pursuant to
122 a negotiated sale.

123 “Registered Owner” means the owner of any Certificate as recorded in the
124 Registration Books.

125 “Registration Books” means the books or records of registration and transfer
126 of the Certificates maintained by the Paying Agent/Registrar.

127 “Rule” means SEC Rule 15c2-12.

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

129 “Surplus Revenues” shall mean those revenues from the operation of the
130 City’s solid waste disposal system remaining after payment of all operation and
131 maintenance expenses of the system and other obligations incurred to which the
132 revenues have been or shall be encumbered by a lien on and pledge of such
133 revenues superior to the lien on and pledge of the revenues to the Certificates.

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

137
138 “Underwriters” shall mean the investment banking firm or firms named in a
139 Purchase Agreement, if any, relating to the sale of Certificates pursuant to a
140 negotiated sale or the entity or entities listed in the Official Bid Form, if any,
141 accepted by the City as the best bid for the Certificates pursuant to a competitive
142 sale.

143 144 **PART 3. CERTIFICATES AUTHORIZED.**

145 The Certificates shall be issued in accordance with the Constitution, laws of
146 the State of Texas, and the Charter of the City, in one or more series, in the
147 aggregate principal amount not to exceed \$28,000,000 for the purposes of (a)
148 financing the Projects described in Schedule I and (b) paying the costs of issuance
149 associated with the sale of the Certificates. The aggregate principal amount and
150 the designation of Certificates issued pursuant to this Ordinance shall be set forth
151 in the Bidding Instructions and the Official Bid Form or the Purchase Agreement.
152 The Certificates shall be numbered consecutively from R-1 upward, except the
153 Initial Certificate shall be numbered T-1.

154 **PART 4. SALE PARAMETERS.**

155 (a) The Certificates shall be issued in any Authorized Denomination as
156 fully registered obligations, without interest coupons, payable to the respective
157 initial registered owners of the Certificates, or to the registered assignee or
158 assignees of the Certificates, maturing not later than 40 years from their issue date,
159 payable serially or otherwise on the dates, in the years and in the principal
160 amounts, and dated and numbered, all as set forth in the Official Bid Form or
161 Purchase Agreement.

162 (b) In accordance with Chapter 1371, each Authorized Representative,
163 acting for and on behalf of the City, is authorized to seek competitive bids for the
164 sale of the Certificates authorized to be sold by this Ordinance, and is hereby
165 authorized to prepare and distribute the Bidding Instructions and the Official Bid
166 Form with respect to seeking competitive bids for the sale of the Certificates. Each
167 Authorized Representative, acting for and on behalf of the City, is authorized to
168 negotiate with the Underwriters to complete a negotiated sale of the Certificates
169 pursuant to the terms and conditions of the Purchase Agreement. The Bidding
170 Instructions or the Purchase Agreement shall contain the terms and conditions

171 relating to the sale of the Certificates, including the date bids for the purchase of
172 the Certificates are to be received, the date of the Certificates, any additional
173 designation or title by which the Certificates shall be known, the aggregate
174 principal amount of the Certificates to be sold, the price at which the Certificates
175 will be sold, the years in which the Certificates will mature, the rate or rates of
176 interest to be borne by each such maturity, the interest payment periods, and all
177 other matters relating to the issuance, sale and delivery of the Certificates so sold
178 including, without limitation, the use of municipal bond insurance for the
179 Certificates. The Certificates shall bear interest at the rates per annum set forth in
180 the Official Bid Form accepted as the best bid or the Purchase Agreement. The
181 interest on the Certificates shall be payable to the Registered Owner of any
182 Certificate on the dates and in the manner provided in Exhibit A. Interest on the
183 Certificates shall be payable on the dates set forth in the Official Bid Form or
184 Purchase Agreement, until maturity or prior redemption. Each Authorized
185 Representative, acting for and on behalf of the City, is hereby authorized to receive
186 and accept bids for the sale of Certificates in accordance with the Bidding
187 Instructions on such date as determined by an Authorized Representative or to
188 negotiate the sale of the Certificates pursuant to the terms of the Purchase
189 Agreement. The Certificates shall be sold at a competitive or negotiated sale at
190 such price as an Authorized Representative shall determine to be the most
191 advantageous to the City, which determination shall be evidenced by the execution
192 of the Official Bid Form submitted by the best and winning bidder or the Purchase
193 Agreement. One Certificate in the principal amount maturing on each maturity date
194 as set forth in the Official Bid Form or Purchase Agreement shall be delivered to
195 the Underwriters, and the Underwriters shall have the right to exchange such
196 Certificates as provided in PART 7 of this Ordinance without cost. Exhibit A shall
197 be revised to reflect the terms of the sale of the Certificates as reflected in the
198 Official Bid Form accepted as the best bid for the Certificates or the Purchase
199 Agreement. The Certificates shall initially be registered in the name as set forth in
200 the Official Bid Form or Purchase Agreement. In case any officer whose signature
201 shall appear on the Certificates shall cease to be such officer before the delivery of
202 the Certificates, the signature shall be valid and sufficient for all purposes the same
203 as if the officer had remained in office until delivery. An Authorized
204 Representative shall not execute the Official Bid Form or the Purchase Agreement
205 unless the applicable Underwriter has confirmed to an Authorized Representative
206 that either it has made disclosure filings to the Texas Ethics Commission in
207 accordance with Section 2252.908, Texas Government Code or is exempt from
208 making such filings under Section 2252.908(c)(4), Texas Government Code.
209 Within thirty (30) days of receipt of any disclosure filings from the best bidder for
210 the Certificates, the City will acknowledge such disclosure filings in accordance
211 with the rules of the Texas Ethics Commission. Any finding or determination made

212 by an Authorized Representative relating to the issuance and sale of the
213 Certificates shall have the same force and effect as a finding or determination made
214 by Council; *provided*, that (i) the price to be paid for the Certificates shall not be
215 less than 95% of the aggregate principal amount of the Certificates sold, plus
216 accrued interest, if any, (ii) the Certificates shall not bear interest at a rate greater
217 than the maximum rate allowed by Chapter 1204, (iii) the Certificates shall not
218 have a final maturity beyond September 1, 2043, and (iv) prior to the execution of
219 the Official Bid Form or the Purchase Agreement by an Authorized
220 Representative, the Certificates shall be rated by a nationally recognized rating
221 agency for municipal securities in one of the four highest rating categories for
222 long-term debt instruments.

223 An Authorized Representative may approve modifications to this Ordinance
224 to conform to the terms of the Certificates, as approved by the Authorized
225 Representative, and execute any instruments, agreements and other documents as
226 the Authorized Representative shall deem necessary or appropriate in connection
227 with the issuance, sale and delivery of Certificates pursuant to this Ordinance.

228 It is in the best interests of the City for the Certificates to be sold through a
229 competitive or negotiated sale, and Council authorizes each Authorized
230 Representative, individually but not collectively, to execute the Official Bid Form
231 or Purchase Agreement to evidence the acceptance by the City of the terms and
232 conditions relating to the sale of the Certificates, at the price the Authorized
233 Representative executing the Official Bid Form or Purchase Agreement determines
234 to be the most advantageous to the City. The conditions set forth in PART 13 of
235 this Ordinance must be met prior to any Authorized Representative executing the
236 Official Bid Form to evidence the acceptance by the City of the best and winning
237 bid submitted or the Purchase Agreement.

238 The authority of an Authorized Representative to execute the Official Bid
239 Form or Purchase Agreement shall expire at 11:59 p.m. on the Expiration Date.
240 Certificates sold pursuant to the Bidding Instructions and an Official Bid Form or
241 the Purchase Agreement executed on or before the Expiration Date may be
242 delivered after the Expiration Date.

243 In establishing the aggregate principal amount of the Certificates of any
244 series, the Authorized Representative shall establish an amount which shall be
245 sufficient (together with any premium received from the sale of the Certificates) to
246 provide for the purposes for which the Certificates are authorized. The Certificates
247 of shall be sold at such price, with and subject to such terms, as set forth in the
248 Bidding Instructions and the Official Bid Form or the Purchase Agreement.

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

PART 5. REDEMPTION PROVISIONS.

(a) The Certificates may be subject to redemption, at the option of the City, prior to their stated maturities to the extent and in the manner provided in the Bidding Instructions and the Official Bid Form or the Purchase Agreement. The years of maturity of the Certificates called for redemption at the option of the City prior to stated maturity shall be selected by the City. The Certificates or any portion 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 Certificates is determined only by a book entry at DTC, if fewer than all of the Certificates of the same maturity and bearing the same interest rate are to be redeemed, the particular Certificates of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and DTC.

(b) The Certificates may be subject to mandatory sinking fund redemption prior to their stated maturities, to the extent and in the manner provided in the Official Bid Form or Purchase Agreement.

(c) At least thirty (30) days before the date fixed for redemption, the City shall cause a written notice of the redemption to be deposited in the United States mail, first-class postage prepaid, addressed to each Registered Owner at the address shown on the Registration Books. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Certificates which are to be redeemed, plus accrued interest to the date fixed for redemption. If the notice of redemption is given, and if provision for payment is made, all as provided above, the Certificates, or the portions of the Certificates, which are to be redeemed, automatically shall be redeemed prior to their scheduled maturities, and shall not bear interest after the date fixed for their redemption, and shall not be regarded as 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 the Certificates or any portion of the principal. If a portion of any Certificate shall be redeemed, one or more substitute Certificates having the same maturity date, bearing interest at the same rate, in any Authorized Denomination, at the written request of the Registered

Owner, and in an aggregate principal amount equal to the unredeemed portion of the Certificates, will be issued to the Registered Owner upon the surrender for cancellation, at the expense of the City, all as provided in this Ordinance. In addition, the City shall cause the Paying Agent/Registrar to give notice of any redemption in the manner set forth in PART 5. The failure to cause notice to be given, however, or any defect in the notice, shall not affect the validity or effectiveness of the redemption. Unless the Paying Agent/Registrar has received funds sufficient to pay the redemption price of the Certificates to be redeemed before giving of a notice of redemption, the notice of redemption may state the City may condition redemption on the receipt by the Paying Agent/Registrar of sufficient funds on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a notice of conditional redemption is given and such prerequisites to the redemption and sufficient funds are not received, the notice shall be of no force and effect, the City shall not redeem the Certificates and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, that the Certificates have not been redeemed.

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

(e) Each redemption notice required by this Ordinance shall contain a description of the Certificates to be redeemed, including the complete name of the Certificates, the series, the date of issue, the interest rate, the maturity date, the CUSIP number, the amounts of the Certificates called for redemption, the date of redemption, the redemption price, the name of the Paying Agent/Registrar and the address at which the Certificate may be redeemed, including a contact person and telephone number. This notice may also state that the redemption is conditioned upon receipt of sufficient funds for the payment of the required redemption price for the Certificates which are to be redeemed by the date fixed for redemption. All redemption payments made by the Paying Agent/Registrar to the Registered Owner of the Certificates shall include CUSIP numbers relating to each amount paid to such Registered Owner.

PART 6. INTEREST.

The Certificates shall bear interest at the rates per annum set forth in the Official Bid Form or Purchase Agreement. The interest shall be payable to the

Registered Owner of any Certificate in the manner provided and on the dates stated in the Official Bid Form or Purchase Agreement. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

PART 7. ADDITIONAL CHARACTERISTICS OF THE CERTIFICATES.

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

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

363 (c) The Paying Agent/Registrar shall act as the paying agent for paying
364 the principal of, premium, if any, and interest on, the Certificates, and to act as the
365 agent of the City to exchange or replace Certificates, all as provided in this
366 Ordinance. The Paying Agent/Registrar shall keep proper records of all payments
367 made by the City and the Paying Agent/Registrar with respect to the Certificates,
368 and of all exchanges and replacements, as provided in this Ordinance.

369 (d) Each Certificate may be exchanged for fully registered Certificates as
370 set forth in this Ordinance. Each Certificate issued and delivered pursuant to this
371 Ordinance, to the extent of the unredeemed principal amount, may, upon surrender
372 at the Designated Payment/Transfer Office, together with a written request duly
373 executed by the Registered Owner or its assignee or assignees, or its or their duly
374 authorized attorneys or representatives, with guarantee of signatures satisfactory to
375 the Paying Agent/Registrar, at the option of the Registered Owner or its assignee
376 or assignees, as appropriate, be exchanged for fully registered Certificates, without
377 interest coupons, in the form prescribed in the Form of Certificate, in any
378 Authorized Denomination (subject to the requirement stated below that each
379 substitute Certificate shall have a single stated maturity date), as requested in
380 writing by the Registered Owner or its assignee or assignees, in an aggregate
381 principal amount equal to the unredeemed principal amount of any Certificate or
382 Certificates so surrendered, and payable to the appropriate Registered Owner,
383 assignee, or assignees. If a portion of any Certificate is assigned and transferred,
384 each Certificate issued in exchange shall have the same maturity date and bear
385 interest at the same rate as the Certificate for which it is being exchanged. Each
386 substitute Certificate shall bear a letter and/or number to distinguish it from each
387 other Certificate. The Paying Agent/Registrar shall exchange or replace
388 Certificates as provided in this Ordinance, and each fully registered Certificate
389 delivered in exchange for or replacement of any Certificate or portion of a
390 Certificate as permitted or required by any provision of this Ordinance shall
391 constitute one of the Certificates for all purposes of this Ordinance and may again
392 be exchanged or replaced. Any Certificate delivered in exchange for or
393 replacement of another Certificate before the first scheduled interest payment date
394 on the Certificates (as stated on the face of the Certificate) shall be dated the same
395 date, but each substitute Certificate delivered on or after the first scheduled interest
396 payment date shall be dated the interest payment date preceding the date on which
397 the substitute Certificate is delivered, unless the substitute Certificate is delivered
398 on an interest payment date, in which case it shall be dated as of the date of
399 delivery; however, if at the time of delivery of any substitute Certificate the
400 interest on the Certificate for which it is being exchanged has not been paid, then
401 the substitute Certificate shall be dated the date to which interest has been paid in
402 full. On each substitute Certificate issued in exchange for or replacement of any

Certificate issued under this Ordinance there shall be printed on the Certificate the Authentication Certificate. An authorized representative of the Paying Agent/Registrar shall, before the delivery of any substitute Certificate, date the substitute Certificate in the manner set forth above, and manually sign and date the Authentication Certificate, and no substitute Certificate shall be considered to be issued or outstanding unless the Authentication Certificate is executed. The Paying Agent/Registrar promptly shall cancel all Certificates surrendered for exchange or replacement. No additional ordinances, orders, or resolutions need be passed or adopted by Council or any other body or person to accomplish the exchange or replacement of any Certificate, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Certificates in the manner prescribed in this Ordinance. Pursuant to Chapter 1206, the duty of exchange or replacement of any Certificate is imposed on the Paying Agent/Registrar, and, upon the execution of the Authentication Certificate, the exchanged or replaced obligation shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Initial Certificate. Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Certificate selected for redemption, in whole or in part, within 45 calendar days of the date fixed for redemption; *provided, however*; the limitation of transfer shall not be applicable to an exchange by the Registered Owner of the uncalled principal of a Certificate.

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

(f) The City shall pay the Paying Agent/Registrar's reasonable and customary fees and charges for making transfers of Certificates, but the Registered Owner of any Certificate requesting the transfer shall pay any taxes or other governmental charges required for the transfer. The Registered Owner of any Certificate requesting any exchange shall pay the Paying Agent/Registrar's reasonable and standard or customary fees and charges for exchanging any Certificate or a portion of a Certificate, together with any required taxes or governmental charges, all as a condition precedent to the exercise of the privilege of exchange, except in the case of the exchange of an assigned and transferred Certificate or Certificates or any portion or portions in any Authorized

Denomination, the fees and charges will be paid by the City. In addition, the City covenants with the Registered Owners of the Certificates that it will (i) pay the reasonable and standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on the Certificates, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer or registration of Certificates, and with respect to the exchange of Certificates solely to the extent stated above.

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

480 **PART 8. FORM OF CERTIFICATES.**

481 The Certificates shall be signed with the manual or facsimile signatures of
482 the Mayor and the City Clerk, and the seal of the City shall be affixed or impressed
483 on the Certificates. The form of all Certificates, including the form of the
484 Comptroller's Registration Certificate to accompany the Initial Certificate, the
485 form of the Authentication Certificate, and the Form of Assignment to be printed
486 on each Certificate, shall be, respectively, substantially in the form set forth in
487 Exhibit A, with such appropriate variations, omissions, or insertions as are
488 permitted or required by this Ordinance and the Official Bid Form or Purchase
489 Agreement.

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

491 (a) The Interest and Sinking Fund (which may include the designation or
492 title by which a series of Certificates shall be known, as determined pursuant to
493 PART 4(b) of this Ordinance) is created and it shall be established and maintained
494 at an official depository of the City. The Interest and Sinking Fund shall be kept
495 separate and apart from all other funds and accounts of the City and shall be used
496 only for paying the interest on and principal of the Certificates. All ad valorem
497 taxes levied and collected for and on account of the Certificates shall be deposited,
498 as collected, to the credit of the Interest and Sinking Fund. During each year while
499 any Certificate is outstanding and unpaid, Council shall compute and ascertain the
500 rate and amount of ad valorem tax, based on the latest approved tax rolls of the
501 City, with full allowances being made for tax delinquencies and costs of tax
502 collections, which will be sufficient to raise and produce the money required to pay
503 the interest on the Certificates as the interest comes due, and to provide a sinking
504 fund to pay the principal (including mandatory sinking fund redemption payments,
505 if any) of the Certificates as the principal matures, but never less than 2% of the
506 outstanding principal amount of the Certificates as a sinking fund each year. The
507 rate and amount of ad valorem tax needed to fund this obligation is ordered to be
508 and is hereby levied against all taxable property in the City for each year while any
509 Certificate is outstanding and unpaid, and the ad valorem tax shall be assessed and
510 collected each year and deposited to the credit of the Interest and Sinking Fund.
511 The ad valorem taxes necessary to pay the interest on and principal of the
512 Certificates, as the interest comes due, and the principal matures or comes due
513 through operation of the mandatory sinking fund redemption, if any, as provided in
514 the Official Bid Form or Purchase Agreement, are pledged for this purpose, within
515 the limit set by law. The City appropriates from current funds on hand and directs
516 the transfer for deposit into the Interest and Sinking Fund moneys as may be
517 necessary to pay debt service on the Certificates scheduled to occur prior to receipt
518 of taxes levied to pay such debt service. Money in the Interest and Sinking Fund,

at the option of the City, may be invested in the securities or Certificates as permitted under applicable law and the City's investment policy. Any securities or Certificates in which money is invested shall be kept and held in trust for the benefit of the owners of the Certificates and shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the Interest and Sinking Fund. Interest and income derived from the investment of money in the Interest and Sinking Fund shall be credited to the Interest and Sinking Fund.

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

PART 10. REVENUES; APPLICABILITY OF CHAPTER 1208.

(a) The Certificates are additionally secured by and shall be payable from the Surplus Revenues. The Surplus Revenues are pledged by the City pursuant to authority of Chapter 363, specifically Section 363.135. The City shall promptly deposit the Surplus Revenues on their receipt to the credit of the Interest and Sinking Fund created pursuant to PART 9, to pay the principal and interest on the Certificates. The amount of Surplus Revenues pledged to the payment of the Certificates shall not exceed \$1,000.

(b) Chapter 1208 applies to the issuance of the Certificates and the pledge of ad valorem taxes and the Surplus Revenues granted by the City under PARTS 9 and 10 of this Ordinance, and the pledge is valid, effective, and perfected. If Texas law is amended at any time while the Certificates are outstanding and unpaid so that the pledge of the ad valorem taxes and Surplus Revenues granted by the City is to be subject to the filing requirements of Chapter 9, then to preserve to the registered owners of the Certificates the perfection of the security interest in the pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9 and enable a filing to perfect the security interest in the pledge.

PART 11. DAMAGED, LOST, STOLEN OR DESTROYED CERTIFICATES.

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

555 (b) Application for replacement of any damaged, mutilated, lost, stolen,
556 or destroyed Certificate shall be made to the Paying Agent/Registrar. In every case
557 of loss, theft, or destruction of a Certificate, the applicant for a replacement
558 obligation shall furnish to the City and to the Paying Agent/Registrar the security
559 or indemnity as may be required by them to save each of them harmless from any
560 loss or damage with respect to the Certificate. Also, in every case of loss, theft, or
561 destruction of a Certificate, the applicant shall furnish to the City and to the Paying
562 Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of the
563 Certificate. In every case of damage or mutilation of a Certificate, the applicant
564 shall surrender to the Paying Agent/Registrar for cancellation the damaged or
565 mutilated Certificate.

566 (c) Notwithstanding clauses (a) and (b), in the event any Certificate shall
567 have matured, and there is no continuing default in the payment of the principal of,
568 premium, if any, or interest on the Certificate, the City may authorize its payment
569 (without surrender except in the case of a damaged or mutilated Certificate) instead
570 of issuing a replacement Certificate, provided security or indemnity is furnished as
571 above provided in this PART.

572 (d) Prior to the issuance of any replacement Certificate, the Paying
573 Agent/Registrar shall charge the owner of the Certificate with all legal, printing,
574 and other expenses in connection with the replacement. Every replacement
575 Certificate issued pursuant to the provisions of this Ordinance by virtue of the fact
576 that any Certificate is damaged, mutilated, lost, stolen, or destroyed shall constitute
577 a contractual obligation of the City whether the damaged, mutilated, lost, stolen, or
578 destroyed Certificate shall be found, or be enforceable by anyone, and shall be
579 entitled to all the benefits of this Ordinance equally and proportionately with any
580 and all other Certificates duly issued under this Ordinance.

581 (e) In accordance with Chapter 1206, this PART constitutes authority for
582 the issuance of any such replacement Certificate without necessity of further action
583 by Council or any other body or person, and the duty of the replacement of the
584 Certificates is authorized and imposed on the Paying Agent/Registrar, subject to
585 the conditions imposed by this PART, and the Paying Agent/Registrar shall
586 authenticate and deliver the Certificates in the form and manner and with the
587 effect, as provided in PART 7(d) of this Ordinance for Certificates issued in
588 exchange for other Certificates.

589 **PART 12. SUBMISSION OF PROCEEDINGS TO ATTORNEY**
590 **GENERAL.**

591 The Mayor, or his designee, and each Authorized Representative, is
592 authorized to have control of the Certificates and all necessary records and
593 proceedings pertaining to the Certificates pending their delivery and their
594 investigation, examination and approval by the Texas Attorney General and their
595 registration by the Comptroller. The City shall submit a single certificate of
596 obligation to the Texas Attorney General, in the aggregate principal amount of the
597 Certificates sold and containing the interest rates and schedule of principal
598 payment dates, all as set forth in the Official Bid Form or Purchase Agreement (the
599 "Initial Certificate"). Upon registration of the Initial Certificate, the Comptroller
600 (or a deputy designated in writing to act for the Comptroller) shall manually sign
601 the Comptroller's Registration Certificate accompanying the Initial Certificate, and
602 the seal of the Comptroller shall be impressed, or placed in facsimile, on the Initial
603 Certificate. The Initial Certificate shall be numbered T-1. After registration by the
604 Comptroller, delivery of the Certificates shall be made to the Underwriters, under
605 and subject to the general supervision and direction of the Mayor or an Authorized
606 Representative, against receipt by the City of all amounts due to the City under the
607 terms of sale, and the Initial Certificate shall be cancelled. Council authorizes the
608 payment of the fee of the Office of the Attorney General of the State of Texas for
609 the examination of the proceedings relating to the issuance of the Certificates, in
610 the amount determined in accordance with the provisions of Section 1202.004,
611 Texas Government Code.

612 **PART 13. SALE OF CERTIFICATES; OFFICIAL STATEMENT.**

613 (a) The Certificates shall be sold to the Underwriters at the price set forth
614 in the Official Bid Form or Purchase Agreement, and delivery of the Certificates to
615 the Underwriters shall be made upon receipt of payment in accordance with the
616 terms of the Official Bid Form or Purchase Agreement. An Authorized
617 Representative is authorized and directed to execute the Official Bid Form or
618 Purchase Agreement on behalf of the City, and the Mayor, Mayor Pro Tem, City
619 Manager or Acting or Interim City Manager, Chief Financial Officer, City Clerk
620 and all other officials, agents and representatives of the City are authorized to
621 execute and deliver such agreements, certificates, instruments and other
622 documents, and do any and all things necessary or desirable to satisfy the
623 conditions set out in the documents, to provide for the issuance and delivery of the
624 Certificates.

625 (b) Council ratifies, authorizes and approves, in connection with the sale
626 of the Certificates, the preparation and distribution of the Preliminary Official

627 Statement and a final Official Statement, substantially in the form of the
628 Preliminary Official Statement, containing additional information and amendments
629 as may be necessary to conform to the terms of the Certificates, this Ordinance and
630 the Official Bid Form or Purchase Agreement, and the Preliminary Official
631 Statement is deemed final as of its date within the meaning and for the purposes of
632 paragraph (b)(1) of the Rule. An Authorized Representative is authorized to
633 approve such amendments and supplements to the Official Statement as either of
634 them shall deem necessary or appropriate. The Mayor and City Clerk are
635 authorized to execute the final Official Statement by manual, facsimile or
636 electronic signature and/or to deliver a certificate pertaining to the final Official
637 Statement as prescribed in the Official Statement or in the Official Bid Form or
638 Purchase Agreement, dated as of the date of payment for and delivery of the
639 Certificates.

640 (c) The Mayor, Mayor Pro Tem, City Manager or Acting or Interim City
641 Manager, City Clerk, Chief Financial Officer and all other officials, agents and
642 representatives of the City are authorized to take actions as any officer, official,
643 agent or representative shall approve in seeking ratings on the Certificates from
644 one or more nationally recognized statistical ratings organizations, or any
645 confirmation of ratings issued by a rating agency, and these actions are ratified and
646 confirmed.

647 (d) Proceeds from the sale of the Certificates shall be disbursed in the
648 amounts and for the purposes set forth in the closing letter of instructions. An
649 Authorized Representative may provide for the establishment of any fund, account
650 or subaccount as deemed necessary or appropriate for the safekeeping and
651 administration of proceeds from the sale of the Certificates pending their
652 disbursement for authorized purposes.

653 (e) An Authorized Representative shall not execute the Official Bid Form
654 or Purchase Agreement unless each of the Underwriters has confirmed to an
655 Authorized Representative that either it has made disclosure filings to the Texas
656 Ethics Commission in accordance with Section 2252.908, Texas Government Code
657 or is exempt from making filings under Section 2252.908(c)(4), Texas Government
658 Code. Within thirty (30) days of receipt of the execution of the Official Bid Form
659 or Purchase Agreement, disclosure filings received from any of the Underwriters
660 will be acknowledged by the City in accordance with the rules of the Texas Ethics
661 Commission.

662 **PART 14. COVENANTS TO MAINTAIN TAX EXEMPT STATUS.**

663 The City covenants to refrain from any action which would adversely affect,
664 or to take any action to assure, the treatment of the Certificates as obligations
665 described in section 103 of the Code, the interest on which is not includable in the
666 "gross income" of the holder for purposes of federal income taxation. The City
667 covenants as follows:

668 (a) to take any action to assure that no more than 10 percent of the
669 proceeds of the Certificates or the projects financed therewith (less amounts
670 deposited to a reserve fund, if any) are used for any "private business use",
671 as defined in section 141(b)(6) of the Code or, if more than 10 percent of the
672 proceeds are so used, that amounts, whether or not received by the City, with
673 respect to such private business use, do not, under the terms of this
674 Ordinance or any underlying arrangement, directly or indirectly, secure or
675 provide for the payment of more than 10 percent of the debt service on the
676 Certificates, in contravention of section 141(b)(2) of the Code;

677 (b) to take any action to assure that in the event that the "private
678 business use" described in subsection (a) hereof exceeds 5 percent of the
679 proceeds of the Certificates or the projects financed therewith (less amounts
680 deposited into a reserve fund, if any) then the amount in excess of 5 percent
681 is used for a "private business use" which is "related" and not
682 "disproportionate", within the meaning of section 141(b)(3) of the Code, to
683 the governmental use;

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

689 (d) to refrain from taking any action which would otherwise result
690 in the Certificates being treated as "private activity bonds" within the
691 meaning of section 141(a) of the Code;

692 (e) to refrain from taking any action that would result in the
693 Certificates being "federally guaranteed" within the meaning of section
694 149(b) of the Code;

701 (f) to refrain from using any portion of the proceeds of the
702 Certificates, directly or indirectly, to acquire or to replace funds which were
703 used, directly or indirectly, to acquire investment property (as defined in
704 section 148(b)(2) of the Code) which produces a materially higher yield over
705 the term of the Certificates, other than investment property acquired with --
706

707 (1) proceeds of the Certificates invested for a reasonable
708 temporary period, until such proceeds are needed for the purpose for
709 which the Certificates are issued,
710

711 (2) amounts invested in a bona fide debt service fund, within
712 the meaning of section 1.148-1(b) of the Treasury Regulations, and
713

714 (3) amounts deposited in any reasonably required reserve or
715 replacement fund to the extent such amounts do not exceed 10 percent
716 of the proceeds of the Certificates;
717

718 (g) to otherwise restrict the use of the proceeds of the Certificates
719 or amounts treated as proceeds of the Certificates, as may be necessary, so
720 that the Certificates do not otherwise contravene the requirements of section
721 148 of the Code (relating to arbitrage);
722

723 (h) to refrain from using the proceeds of the Certificates or the
724 proceeds of any prior obligations to pay debt service on another issue more
725 than ninety (90) days after the issuance of the Certificates in contravention
726 of section 149(d) of the Code (relating to advance refundings); and
727

728 (i) to pay to the United States of America at least once during each
729 five-year period (beginning on the date of delivery of the Certificates) an
730 amount that is at least equal to 90 percent of the "excess earnings", within
731 the meaning of section 148(f) of the Code, and to pay to the United States of
732 America, not later than 60 days after the Certificates have been paid in full,
733 100 percent of the amount then required to be paid as a result of Excess
734 Earnings under section 148(f) of the Code.
735

736 The City understands that the term "proceeds" includes "disposition proceeds" as
737 defined in the Treasury Regulations. It is the understanding of the City that the
738 covenants contained herein are intended to assure compliance with the Code and
739 any regulations or rulings promulgated by the U.S. Department of the Treasury
740 pursuant thereto. In the event that regulations or rulings are hereafter promulgated
741 which modify or expand provisions of the Code, as applicable to the Certificates,

the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Certificates under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Certificates, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Certificates under section 103 of the Code. In furtherance of the foregoing, the Mayor, the City Manager or Acting or Interim City Manager, any Assistant City Manager, the Chief Financial Officer, any Deputy Chief Financial Officer and the City Treasurer may execute any certificates or other reports required by the Code and make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Certificates. In order to facilitate compliance with the above clause (i), a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and such Rebate Fund shall not be subject to the claim of any other person, including without limitation the registered owners of the Certificates. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

The City covenants to account for on its books and records the expenditure of proceeds from the sale of the Certificates and any investment earnings thereon to be used to finance the Projects described in Schedule I by allocating proceeds to expenditures within eighteen (18) months of the later of the date that (a) the expenditure on a Project is made or (b) each Project is completed. The City shall not expend such proceeds or investment earnings more than 60 days after the later of (a) the fifth anniversary of the date of delivery of the Certificates or (b) the date the Certificates are retired, unless the City obtains an opinion of nationally-recognized bond counsel substantially to the effect that the expenditure will not adversely affect the tax-exempt status of the Certificates. The City shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that the failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

The City covenants that the property financed or refinanced with the proceeds of the Certificates will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of nationally-recognized bond counsel substantially to the effect that such sale or other disposition will not adversely affect the tax-exempt status of

the Certificates. The portion of the property comprising personal property and disposed of in the ordinary course of business shall not be treated as a transaction resulting in the receipt of cash or other compensation. The City shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that the failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

PART 15. CONTINUING DISCLOSURE OBLIGATION.

(a) *Annual Reports.*

(i) The City shall provide annually to the MSRB, (A) within six months after the end of each fiscal year of the City, financial information and operating data with respect to the City of the general type included in the final Official Statement authorized by PART 13 of this Ordinance, being information of the type described in the final Official Statement, including financial statements of the City if audited financial statements of the City are then available, and (B) if not provided as part of the financial information and operating data, audited financial statements of the City, when and if available. Any financial statements to be provided shall be (x) prepared in accordance with the accounting principles described in the final Official Statement, or other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and in substantially the form included in the final Official Statement, and (y) audited, if the City commissions an audit of its financial statements and the audit is completed within the period during which they must be provided. If the audit of financial statements is not complete within 12 months after any fiscal year end, then the City shall file unaudited financial statements within the 12-month period and audited financial statements for the applicable fiscal year, when and if the audit report on the financial statements becomes available.

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

The financial information and operating data to be provided pursuant to this PART may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) available to the public on the MSRB's

website or filed with the SEC. Filings shall be made electronically, accompanied by identifying information as prescribed by the MSRB.

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

- (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 Certificates, or other material events affecting the tax status of the Certificates;
- (vii) Modifications to rights of holders of the Certificates, if material;
- (viii) Certificate calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Certificates, 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;
- (xiv) Appointment of a successor trustee or change in the name of the trustee, if material;
- (xv) Incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial

Obligation of the Obligated Person, any of which affect security holders, if material; and
(xvi) Default, event of acceleration, termination event, modification of terms, or other similar event under the terms of a Financial Obligation of the Obligated Person, and which reflect financial difficulties.

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).

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.

As used in clauses (xv) and (xvi) above, the term "Financial Obligation" means: (i) a debt obligation; (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii); however, the term Financial Obligation shall not include Municipal Securities as to which a final official statement has been provided to the MSRB consistent with the Rule; the term "Municipal Securities" means securities which are direct obligations of, or obligations guaranteed as to principal or interest by, a state or any political subdivision thereof, or any agency or instrumentality of a state or any political subdivision thereof, or any municipal corporate instrumentality of one or more states and any other Municipal Securities described by Section 3(a)(29) of the Securities Exchange Act of 1934, as the same may be amended from time to time; and the term "Obligated Person" means the City.

(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 Certificates within the meaning of the Rule, except that the City will give written notice of any

901 deposit made in accordance with this Ordinance, or applicable law, that causes any
902 Certificate no longer to be outstanding.

903 The provisions of this PART are for the sole benefit of the holders and
904 beneficial owners of the Certificates, and nothing in this PART, express or implied,
905 shall give any benefit or any legal or equitable right, remedy, or claim to any other
906 person. The City undertakes to provide only the financial information, operating
907 data, financial statements, and notices which it has expressly agreed to provide
908 pursuant to this PART and does not undertake to provide any other information
909 that may be relevant or material to a complete presentation of the City's financial
910 results, condition, or prospects or to update any information provided in
911 accordance with this PART or otherwise, except as expressly provided in this
912 Ordinance. The City does not make any representation or warranty concerning the
913 information or its usefulness to a decision to invest in or sell Certificates at any
914 future date.

915 UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO
916 THE HOLDER OR BENEFICIAL OWNER OF ANY OBLIGATION OR ANY
917 OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING
918 IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER
919 NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT
920 SPECIFIED IN THIS PART, BUT EVERY RIGHT AND REMEDY OF ANY
921 PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY
922 BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR
923 SPECIFIC PERFORMANCE.

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

929 The provisions of this PART may be amended by the City from time to time
930 to adapt to changed circumstances that arise from a change in legal requirements, a
931 change in law, or a change in the identity, nature, status, or type of operations of
932 the City, but only if (1) the provisions of this PART, as amended, would have
933 permitted an underwriter to purchase or sell Certificates in the primary offering of
934 the Certificates in compliance with the Rule, taking into account any amendments
935 or interpretations of the Rule since the offering as well as the changed
936 circumstances and (2) either (a) the holders of a majority in aggregate principal
937 amount (or any greater amount required by any other provision of this Ordinance
938 that authorizes an amendment) of the outstanding Certificates consent to the

939 amendment or (b) a person that is unaffiliated with the City (such as nationally-
940 recognized bond counsel) determines that the amendment will not materially
941 impair the interest of the holders and beneficial owners of the Certificates. If the
942 City amends the provisions of this PART, it shall include with the next financial
943 information and operating data provided in accordance with subsection (a) of this
944 PART an explanation, in narrative form, of the reason for the amendment and of
945 the impact of any change in the type of financial information or operating data so
946 provided. The City may also amend or repeal the provisions of this continuing
947 disclosure agreement if the SEC amends or repeals the applicable provision of the
948 Rule or a court of final jurisdiction enters judgment that the provisions of the Rule
949 are invalid, but only if and to the extent that the provisions of this sentence would
950 not prevent an underwriter from lawfully purchasing or selling Certificates in the
951 primary offering of the Certificates. Should the Rule be amended to obligate the
952 City to make filings with or provide notices to entities other than the MSRB, the
953 City agrees to undertake such obligation in accordance with the Rule as amended.

954 **PART 16. DTC REGISTRATION.**

955 The Certificates initially shall be issued and delivered in the manner that no
956 physical distribution of the Certificates will be made to the public, and DTC
957 initially will act as depository for the Certificates. DTC has represented that it is a
958 limited purpose trust company incorporated under the laws of the State of New
959 York, a member of the Federal Reserve System, a “clearing corporation” within
960 the meaning of the New York Uniform Commercial Code, and a “clearing agency”
961 registered under Section 17A of the Securities Exchange Act of 1934, as amended,
962 and the City accepts, but in no way verifies, the representations of DTC. The
963 Certificates initially authorized by this Ordinance intended to be held by DTC shall
964 be delivered to and registered in the name of Cede & Co., the nominee of DTC. It
965 is expected that DTC will hold the Certificates on behalf of the Underwriters and
966 their participants. So long as each Certificate is registered in the name of Cede &
967 Co., the Paying Agent/Registrar shall treat and deal with DTC the same in all
968 respects as if it were the actual and beneficial owner. It is expected that DTC will
969 maintain a book-entry system, which will identify ownership of the Certificates in
970 Authorized Denominations, with transfers of ownership being effected on the
971 records of DTC and its participants pursuant to rules and regulations established by
972 them, and that the Certificates initially deposited with DTC shall be immobilized
973 and not be further exchanged for substitute Certificates except as set forth in this
974 Ordinance. The City and the Paying Agent/Registrar are not responsible or liable
975 for any functions of DTC, will not be responsible for paying any fees or charges
976 with respect to its services, will not be responsible or liable for maintaining,
977 supervising, or reviewing the records of DTC or its participants, or protecting any
978 interests or rights of the beneficial owners of the Certificates. It shall be the duty

of the DTC Participants, as defined in the Official Statement, to make all arrangements with DTC to establish this book-entry system, the beneficial ownership of the Certificates, and the method of paying the fees and charges of DTC. The City does not represent, nor does it in any way covenant that the initial book-entry system established with DTC will be maintained in the future. Notwithstanding the initial establishment of the foregoing book-entry system with DTC, if for any reason any of the originally delivered Certificates is duly filed with the Paying Agent/Registrar with proper request for transfer and substitution, as provided for in this Ordinance, substitute Certificates will be duly delivered as provided in this Ordinance, and there will be no assurance or representation that any book-entry system will be maintained for the Certificates. In connection with the initial establishment of the foregoing book-entry system with DTC, the City has executed a "Blanket Letter of Representations" prepared by DTC in order to implement the book-entry system described above.

PART 17. DEFEASANCE.

(a) *Defeased Certificates.* Any Certificate will be treated as a Defeased Certificate, except to the extent provided in subsection (d) of this PART, when payment of the principal of the Certificate, plus interest to the due date (whether the due date be by reason of maturity, redemption or otherwise) either (i) shall have been made or caused to be made in accordance with the terms of this Ordinance, or (ii) shall have been provided for on or before the due date by irrevocably depositing with or making available to the Paying Agent/Registrar or any commercial bank or trust company authorized to serve as escrow agent for the Certificates in accordance with a Future Escrow Agreement for the payment of the Certificate (1) lawful money of the United States of America sufficient to make the payment or (2) Defeasance Securities to mature as to principal and interest in the amounts and at the time as will ensure the availability, without reinvestment, of sufficient money to provide for the payment, and when proper arrangements have been made by the City with the Paying Agent/Registrar for the payment of its services until all Defeased Certificates shall have become due and payable. There shall be delivered to the Paying Agent/Registrar a certificate of a qualified financial professional or a report from a firm of certified public accountants evidencing the sufficiency of the deposit made pursuant to clause (ii) above. The Paying Agent/Registrar shall also receive an opinion of bond counsel acceptable to the City that reflects this payment does not adversely affect the exclusion under the Code of interest on the Defeased Certificates from the gross income of the holders for federal income taxation purposes. At the time as a Certificate shall be considered to be a Defeased Certificate, the Certificate and the interest on that Certificate shall no 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 Certificates 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 Certificates 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 Certificates, 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 Certificates shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for the Defeased Certificates 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 Certificates for Defeasance.* In the event that the City elects to defease less than all of the principal amount of Certificates of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, the amount of Certificates by the random method as it considers fair and appropriate.

PART 18. 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 Certificate 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 Certificates, 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 contained in this Ordinance, or to enjoin any act or thing that may be unlawful or in violation of any right of the Registered Owners or any combination of remedies only as authorized by law.

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

(c) *Remedies Not Exclusive.*

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

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

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

(iv) None of the members of Council, nor any other official or officer, agent, or employee of the City, shall be charged personally by the Registered Owners with any liability, or be held personally liable to the Registered Owners under any term or provision of this Ordinance, or

because of any Event of Default or alleged Event of Default under this Ordinance.

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

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

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

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

PART 20. RULES OF CONSTRUCTION.

For all purposes of this Ordinance, unless the context requires otherwise, all references to designated PARTS and other subdivisions are to the PARTS and other subdivisions of this Ordinance. Except where the context otherwise requires, terms defined in this Ordinance to impart the singular number shall be considered to include the plural number and vice versa. References to any named person shall mean that party and his or her successors and assigns. Any duty, responsibility, privilege, power or authority conferred by this Ordinance upon an official or officer shall extend to an individual who occupies such office in an interim, acting or provisional capacity. References to any constitutional, statutory or regulatory

1126 provision means the provision as it exists on the date this Ordinance is adopted by
1127 the City. Any reference to the payment of principal in this Ordinance shall include
1128 the payment of any mandatory sinking fund redemption payments as described in
1129 this Ordinance. Any reference to “Form of Certificate” refers to the form of the
1130 Certificates in Exhibit A to this Ordinance. The titles and headings of the PARTS
1131 and subsections of this Ordinance have been inserted for convenience of reference
1132 only and are not a part of this Ordinance and shall not in any way modify or restrict
1133 any of its terms or provisions.

1134 **PART 21. CONFLICTING ORDINANCES REPEALED.**

1135 All ordinances and resolutions or parts in conflict with this Ordinance are
1136 repealed.

1137 **PART 22. IMMEDIATE EFFECT.**

1138 In accordance with the provisions of Section 1201.028, Texas Government
1139 Code, this Ordinance is effective immediately upon its adoption by Council.

PASSED AND APPROVED AND EFFECTIVE AUGUST 31, 2023.

ATTEST:

Kirk Watson,
Mayor, City of Austin, Texas

Myrna Rios,
City Clerk, City of Austin, Texas

(SEAL)

APPROVED:

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

EXHIBIT A

Form of Certificate

NO. R-__

\$_____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF AUSTIN, TEXAS
CERTIFICATE OF OBLIGATION, SERIES 2023

Maturity Date

Interest Rate (%)

Dated Date
October 10, 2023

CUSIP No.

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, 2024, 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 Certificate is dated later than March 1, 2024, such interest is payable semiannually on each September 1 and March 1 following such date.

INTEREST ON THIS CERTIFICATE shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

THE PRINCIPAL OF AND INTEREST ON this Certificate are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Certificate shall be paid to the registered owner hereof upon presentation and surrender of this Certificate 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 Certificate. The payment of interest on this Certificate 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 Certificate prior to maturity as provided herein shall be paid to the registered owner upon presentation and surrender of this Certificate for redemption and payment at the Designated Payment/Transfer Office of the Paying Agent/Registrar. The City covenants with the registered owner of this Certificate that no later than each principal payment and/or interest payment date for this Certificate it will make available to the Paying Agent/Registrar from the Interest and Sinking Fund as defined by the ordinance authorizing the Certificates (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 Certificates, 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 Certificate 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 Certificate 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 Certificates is determined only by a book entry at a securities depository for the Certificates, 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 CERTIFICATE is one of a series of Certificates of like tenor and effect except as to number, principal amount, interest rate, maturity and option of redemption, dated as of the Dated Date specified above, 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 pay contractual obligations to be incurred by the City, to-wit: making and acquiring various public improvements for the City, as described in the Ordinance, and the payment of fiscal, engineering and legal fees incurred in connection therewith.

ON SEPTEMBER 1, 2033, or on any date thereafter, the Certificates of this series maturing on September 1, 2034, 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, without premium, plus accrued interest to the date fixed for redemption. The years of maturity of the Certificates called for redemption at the option of the City prior to stated maturity shall be selected by the City. The Certificates 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 Certificates is determined only by a book entry at a securities depository for the Certificates, if fewer than all of the Certificates of the same maturity and bearing the same interest rate are to be redeemed, the particular Certificates of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and the securities depository.

THE CERTIFICATES of this Series maturing on September 1, 20__ (the "Term Certificates") are subject to mandatory redemption prior to maturity, and shall be redeemed in part prior to maturity at the price of par and accrued interest thereon to the date of redemption, and without premium, on the dates and in the principal amounts as follows:

<u>Certificates Maturing September 1, 20__</u>	
<u>Redemption Date</u>	<u>Principal</u>
<u>(September 1)</u>	<u>Amount (\$)</u>
20__	
20__	
20__	
20__	
20__ *	

*Stated Maturity

The principal amount of Term Certificates of a stated maturity required to be redeemed on any mandatory redemption date pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the City, by the principal amount of any Term Certificate of the same maturity which, at least 45 days prior to a mandatory redemption date shall have been (1) acquired by the City at a price not exceeding the principal amount of such Term Certificate plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, (2) purchased and canceled by the Paying Agent/Registrar at the request of City at a price not exceeding the principal amount of such Term Certificate plus accrued interest to the date of purchase, or (3) redeemed pursuant to the related optional redemption provisions 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 Certificate 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 Certificate 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 Certificate, 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 Certificate or any portion hereof. If a portion of any Certificate shall be redeemed, a substitute Certificate or Certificates 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 Certificates, 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 Certificates 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 Certificates and the Paying Agent/Registrar will give notice in the manner in which the notice of redemption was given, to the effect that such Certificates will not be redeemed.

ALL CERTIFICATES OF THIS SERIES are issuable solely as fully registered certificates, without interest coupons, in the denomination of any integral multiple of \$5,000 (an "Authorized Denomination"). As provided in the Ordinance, this Certificate 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 certificates, 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 Certificate 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 Certificate 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 Certificate or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Certificate or any such portion or portions hereof is or are to be transferred and registered. The form of Assignment printed or endorsed on this Certificate 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 Certificate 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 Certificate or portion thereof. The foregoing notwithstanding, in the case of the exchange of an assigned and transferred Certificate or Certificates 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 Certificate 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 Certificate.

WHENEVER the beneficial ownership of this Certificate is determined by a book entry at a securities depository for the Certificates, the foregoing requirements of holding, delivering or transferring this Certificate 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 Certificates 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 Certificates.

IT IS HEREBY CERTIFIED AND RECITED that this Certificate has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Certificate have been performed, existed, and been done in accordance with law; that this Certificate is a direct obligation of the City, issued on the full faith and credit thereof, that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Certificate, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in the City, and have been pledged for such payment, within the limits prescribed by law, and that a limited pledge (not to exceed \$1,000) of the surplus revenues from the operation of the City's solid waste disposal system remaining after payment of all operation and maintenance expenses thereof and any other obligations heretofore or hereafter incurred to which such revenues have been or shall be encumbered by a lien on and pledge of such revenues superior to the lien on and pledge of such revenues to the Certificates, have been pledged as additional security for the Certificates.

BY BECOMING the registered owner of this Certificate, 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 Certificate and the Ordinance constitute a contract between each registered owner hereof and the City.

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

Myrna Rios,
City Clerk, City of Austin, Texas

Kirk Watson,
Mayor, City of Austin, Texas

(SEAL)

* * * * *

DRAFT

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE:

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Certificate 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 Certificate has been issued under the provisions of the proceedings adopted by the City as described in the text of this Certificate; and that this Certificate has been issued in conversion of and exchange for or replacement of a certificate/certificates or a portion of a certificate or certificates 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 INITIAL CERTIFICATE):

OFFICE OF COMPTROLLER :

:

REGISTER NO. _____

STATE OF TEXAS :

:

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 Certificate and that this Certificate 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 Obligation and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney to register the transfer of the within Obligation 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 Obligation in every particular, without alteration or enlargement or any change whatsoever.

The Initial Certificate shall be in the form set forth above, except that the form of the single fully registered Initial Certificate shall be modified as follows:

- (i) immediately under the name of the note the headings "Maturity Date", "Interest Rate", "Dated Date" and "CUSIP No." shall be omitted; and
- (ii) Paragraph one shall read as follows:

Registered Owner:

Principal Amount:

Dated Date: October 10, 2023

ON THE MATURITY DATE SPECIFIED ABOVE, THE CITY OF AUSTIN, TEXAS (the "City"), in the Counties of Travis, Williamson and Hays, promises to pay to the Registered Owner named above, or the registered assigns thereof, the Principal Amount hereinabove stated on September 1 in each of the years and in principal installments in accordance with the following schedule:

<u>Maturity (9/1)</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		
2042		
2043		

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, 2024, 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 Certificate is dated later than March 1, 2024, such interest is payable semiannually on each September 1 and March 1 following such date.

DRAFT

SCHEDULE I

The following projects are to be funded with the proceeds of the Certificates:

1. Design and construction of various existing and new Fire/Emergency Medical Services stations.
2. Street improvements to Jaine Lane and Meadow Lake and various street and roadway improvement projects to support safety and improved access to transit.
3. Payment of fiscal, engineering and legal fees incurred in connection with the projects funded with the proceeds of the Certificates.