

EXHIBIT B

[Fee Agreement Amendment]

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First Amendment to Amended and Restated Fee Letter Agreement

This First Amendment (the "First Amendment") to Amended and Restated Fee Letter Agreement is executed and entered into as of April 18, 2014 (the "Effective Date"), and is by and between CITY OF AUSTIN, TEXAS (the "City"), and JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, a national banking association (together with its successors and assigns, the "Bank").

WITNESSETH

WHEREAS, the City and the Bank have previously entered into the Amended and Restated Fee Letter Agreement dated as of December 1, 2012 (the "Fee Letter Agreement") with respect to that certain Amended and Restated Reimbursement Agreement dated as of December 1, 2012 (the "Reimbursement Agreement"), between the City and the Bank relating to the City of Austin, Texas, Hotel Occupancy Tax Subordinate Lien Variable Rate Revenue Refunding Bonds, Series 2008, Subseries 2008A (the "Subseries A Bonds") and Subseries 2008B (the "Subseries B Bonds" and together with the Subseries A Bonds, collectively referred to herein as, the "Bonds"), pursuant to which the Bank issued Irrevocable Transferable Letter of Credit dated July 27, 2011 supporting the Subseries A Bonds (LC No. CPCS-920639) (the "2008 Subseries A Letter of Credit") and Irrevocable Transferable Letter of Credit dated December 13, 2012, supporting the Subseries B Bonds (LC No. CPCS-255269) (the "2008 Subseries B Letter of Credit" and together with the 2008 Subseries A Letter of Credit, collectively referred to herein as the "Letters of Credit");

WHEREAS, the City and the Bank have agreed to amend the Fee Letter Agreement in connection with the extension of the Stated Expiration Date of each of the Letters of Credit to October 15, 2017; and

NOW THEREFORE, for and in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the parties hereto hereby agree as follows:

Capitalized terms not otherwise defined herein shall have the meanings set forth in the Reimbursement Agreement.

ARTICLE I. AMENDMENTS

Section 1.1. Amendment to Letter of Credit Fee. Section 1.1. of the Fee Letter Agreement is hereby deleted and replaced with the following:

Beginning on the Effective Date, the City hereby agrees to pay to the Bank in arrears on the first Business Day of each January, April, July and October beginning on July 1, 2014, and on

the Termination Date of each of the Letters of Credit, a non-refundable fee in an amount equal to the rate per annum associated with the Rating as specified below (the “Letter of Credit_Fee Rate”) on the Available Amount of each Letter of Credit issued by the Bank (the “Letter of Credit Fee”) for each day during each period.

LEVEL	MOODY’S RATING	S&P RATING	LETTER OF CREDIT FEE RATE
Level 1	Aa3 or above	AA- or above	.42%
Level 2	A1	A+	.67%
Level 3	A2	A	.92%
Level 4	A3	A-	1.17%
Level 5	Baa1	BBB+	1.42%
Level 6	Baa2	BBB	1.67%
Level 7	Baa3	BBB-	1.92%

The term “Rating” as used above shall mean the long-term, unenhanced debt ratings assigned by each of S&P and Moody’s (each a “Rating Agency” and collectively, the “Rating Agencies”) to any Indebtedness of the City secured by the Security. In the event of a split Rating (*i.e.*, one of the foregoing Rating Agency’s Rating is at a different level than the Rating of the other Rating Agency) the Letter of Credit Fee Rate shall be based upon the level in which the lowest rating appears. Any change in the Letter of Credit Fee Rate resulting from a change in a Rating shall be and become effective as of and on the date of the announcement of the change in such Rating. References to ratings above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, each of the Ratings from the agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. The City acknowledges, and the Bank agrees, that as of the date hereof the Letter of Credit Fee Rate is that specified above for Level 1. The Letter of Credit Fees shall be payable quarterly in arrears, together with interest on the Letter of Credit Fees from the date payment is due until payment in full at the Default Rate. The computation of the Letter of Credit Fees payable by the City under this Fee Letter Agreement shall be made on the basis of a year of 360 days and the actual number of days elapsed, including date of issuance and expiration. Upon the occurrence and during the continuance of an Event of Default, or in the event any Rating is suspended, withdrawn or is otherwise unavailable, the Letter of Credit Fee Rate shall be increased from the rate then in effect by an additional one percent (1.00%) per annum.

Prior to the Effective Date, the Letter of Credit Fee Rate shall be as set forth in the Fee Letter Agreement without consideration of this First Amendment.

Section 1.2. Amendment to Termination and Reduction Fee. Section 1.5. of the Fee Letter Agreement is hereby deleted and replaced with the following:

(i) Subject to paragraph (ii) of this Section 1.5, in the event a Letter of Credit is terminated prior to the Stated Expiration Date, the City hereby agrees to pay to the Bank a termination fee in connection with such termination of such Letter of Credit in an amount equal to the product of (x) the Letter of Credit Fee Rate in effect pursuant to Section 1.1 hereof on the date of termination, (y) the Available Amount of such Letter of Credit (without regard to any temporary reductions thereof) and (z) a fraction, the numerator of which is equal to the number of days from and including the date of termination to and including the Stated Expiration Date and the denominator of which is 360 (the "Termination Fee"), payable on the date the Agreement is terminated.

(ii) Notwithstanding the foregoing and anything set forth herein or in the Agreement to the contrary, the City agrees not to permanently reduce the Available Amount prior to the Stated Expiration Date, without the payment by the City to the Bank of a reduction fee in connection with each and every permanent reduction of the Available Amount as set forth herein in an amount equal to the product of (A) the Letter of Credit Fee Rate in effect on the date of such reduction, (B) the difference between the Available Amount of such Letter of Credit (without regard to any temporary reductions thereof) prior to such reduction and the Available Amount (without regard to any temporary reductions thereof) after such reduction, and (C) a fraction, the numerator of which is equal to the number of days from and including the date of such reduction to and including the Stated Expiration Date, and the denominator of which is 360 (the "Reduction Fee"); *provided, however*, that in the event that (A) the short-term unenhanced ratings of the Bank falls below "P-1" (or its equivalent) by Moody's or "A-1" (or its equivalent) by S&P, (B) the Bank charges increased costs pursuant to Section 3.2 of the Agreement, or (C) all of the Bonds are converted to a Fixed Rate Mode, no Termination Fee or Reduction Fee pursuant to this Section 1.5 shall be required to be paid to the Bank.

ARTICLE I. MISCELLANEOUS

Section 2.1. Parties in Interest.

All of the terms and provisions of this First Amendment shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.

Section 2.2. Counterparts.

This First Amendment may be executed in counterparts, and all parties need not execute the same counterpart; however, no party shall be bound by this First Amendment until all parties have executed a counterpart. Facsimiles or pdf copies shall be effective as originals.

Section 2.3. Full Force and Effect of the Amended Agreement. Except as specifically waived or amended pursuant to this First Amendment, the terms of the Fee Letter Agreement shall continue in full force and effect and are hereby ratified and confirmed in all respects. As

used in the Reimbursement Agreement or other related documentation, the term “Fee Letter Agreement” shall mean the Fee Letter Agreement as amended by this First Amendment.

Section 2.4. Complete Agreement. THIS FIRST AMENDMENT AND THE FEE LETTER AGREEMENT REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN OR AMONG THE PARTIES.

Section 2.5. Governing Law. THE OBLIGATIONS OF THE BANK PURSUANT TO THIS FIRST AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CHOICE OF LAW RULES, AND THE OBLIGATIONS OF THE CITY PURSUANT TO THIS FIRST AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO CHOICE OF LAW RULES.

Section 2.6. Headings. The headings, captions and arrangements used in this First Amendment are, unless specified otherwise, for convenience only and shall not be deemed to limit, amplify or modify the terms of this First Amendment, nor affect the meaning thereof.

Section 2.7. Representations. Each party hereto hereby represents and warrants to the other party hereto that this First Amendment has been duly authorized and validly executed by it and that the Fee Letter Agreement as further amended by this First Amendment constitutes its valid obligation enforceable in accordance with its terms. The City further represents and warrants that no Event of Default with respect to the City has occurred under the Reimbursement Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

JPMORGAN CHASE BANK, NATIONAL
ASSOCIATION.

By: _____
Name: _____
Title: _____

CITY OF AUSTIN, TEXAS

By: _____
Name: _____
Title: _____

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