

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

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

General obligation bonds of the City were duly and favorably voted, as required by the Constitution and laws of Texas, at elections held in the City on the dates as described in Schedule I to this Ordinance; and

Council finds that it is necessary and in the best interest of the City that it approve by this Ordinance the issuance and delivery of bonds in accordance with the Constitution and laws of the State of Texas, including specifically Chapters 1207, 1331 and 1371 of the Texas Government Code, and the Home Rule Charter of the City, for the purposes herein provided; and

Council desires to delegate to the Authorized Representative (defined below) the authority to effect the sale of the bonds 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.

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 Bond.

“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 Bonds pursuant to a competitive sale.

“Bonds” means the bonds of the City to be issued under authority of this Ordinance, including the Initial Bond.

37 “Bond Purchase Agreement” shall mean the Bond Purchase Agreement among the Issuer
38 and the Underwriters, pertaining to the purchase of the Bonds sold pursuant to a negotiated sale.

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

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

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

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

45 “Chapter 1207” means Chapter 1207 of the Texas Government Code.

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

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

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

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

50 “Comptroller” means the Comptroller of Public Accounts of the State of Texas.

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

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

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

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

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

66 “Escrow Agent” means _____, the financial institution designated in the Escrow
67 Agreement to act as escrow agent for the payment of the Refunded Obligations.

68 “Escrow Agreement” means an escrow agreement or other similar instrument with
69 respect to the Refunded Obligations.

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

“Expiration Date” means March 1, 2023.

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

“Initial Bond” has the meaning described in PART 11 of this Ordinance.

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

“MSRB” means the Municipal Securities Rulemaking Board.

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

“Paying Agent/Registrar” means _____, and its successors and assigns as provided in the Paying Agent/Registrar Agreement.

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

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

“Refunded Obligations” means the obligations selected by an Authorized Representative from those obligations identified in Schedule II to this Ordinance as the obligations to be refunded with proceeds of the Bonds and designated in the final Official Statement described in PART 12 of this Ordinance as the Refunded Obligations.

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

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

“Rule” means SEC Rule 15c2-12.

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

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

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

PART 3. BONDS AUTHORIZED.

The Bonds shall be issued in accordance with the Constitution, laws of the State of Texas, and the Charter of the City, in one or more series, in the aggregate principal amount not to

108 exceed \$225,350,000 for the purposes of (a) financing the Projects described in Schedule I, (b)
109 refunding the Refunded Obligations, and (c) paying the costs of issuance associated with the sale
110 of the Bonds. The aggregate principal amount and the designation of Bonds issued pursuant to
111 this Ordinance shall be set forth in the Bidding Instructions and the Official Bid Form or the
112 Bond Purchase Agreement. The Bonds shall be numbered consecutively from R-1 upward,
113 except the Initial Bond shall be numbered T-1.

114 **PART 4. SALE PARAMETERS.**

115 (a) The Bonds shall be issued in any Authorized Denomination as fully registered
116 bonds, without interest coupons, payable to the respective initial registered owners of the Bonds,
117 or to the registered assignee or assignees of the Bonds, maturing not later than 40 years from
118 their issue date, payable serially or otherwise on the dates, in the years and in the principal
119 amounts, and dated and numbered, all as set forth in the Official Bid Form or Bond Purchase
120 Agreement.

121 (b) In accordance with Chapter 1371, each Authorized Representative, acting for and
122 on behalf of the City, is authorized to seek competitive bids for the sale of the Bonds authorized
123 to be sold by this Ordinance, and is hereby authorized to prepare and distribute the Bidding
124 Instructions and the Official Bid Form with respect to seeking competitive bids for the sale of the
125 Bonds. Each Authorized Representative, acting for and on behalf of the City, is authorized to
126 negotiate with the Underwriters to complete a negotiated sale of the Bonds pursuant to the terms
127 and conditions of the Bond Purchase Agreement. The Bidding Instructions or Bond Purchase
128 Agreement shall contain the terms and conditions relating to the sale of the Bonds, including the
129 date bids for the purchase of the Bonds are to be received, the date of the Bonds, any additional
130 designation or title by which the Bonds shall be known, the aggregate principal amount of the
131 Bonds to be sold, the principal amount of the Bonds sold to finance projects described in
132 Schedule I, the principal amount of the Bonds sold to refund the Refunded Obligations, the price
133 at which the Bonds will be sold, the years in which the Bonds will mature, the rate or rates of
134 interest to be borne by each such maturity, the interest payment periods, and all other matters
135 relating to the issuance, sale and delivery of the Bonds so sold including, without limitation, the
136 use of municipal bond insurance for the Bonds. The Bonds shall bear interest at the rates per
137 annum set forth in the Official Bid Form accepted as the best bid or the Bond Purchase
138 Agreement. The interest on the Bonds shall be payable to the Registered Owner of any Bond on
139 the dates and in the manner provided in Exhibit A. Interest on the Bonds shall be payable on the
140 dates set forth in the Official Bid Form or Bond Purchase Agreement, until maturity or prior
141 redemption. Each Authorized Representative, acting for and on behalf of the City, is hereby
142 authorized to receive and accept bids for the sale of Bonds in accordance with the Bidding
143 Instructions on such date as determined by an Authorized Representative or to negotiate the sale
144 of the Bonds pursuant to the terms of the Bond Purchase Agreement. The Bonds shall be sold at
145 a competitive or negotiated sale at such price as an Authorized Representative of the City shall
146 determine to be the most advantageous to the City, which determination shall be evidenced by
147 the execution of the Official Bid Form submitted by the best and winning bidder or the Bond
148 Purchase Agreement. One Bond in the principal amount maturing on each maturity date as set
149 forth in the Official Bid Form or Bond Purchase Agreement shall be delivered to the
150 Underwriters, and the Underwriters shall have the right to exchange such Bonds as provided in
151 PART 7 of this Ordinance without cost. Exhibit A shall be revised to reflect the terms of the sale
152 of the Bonds as reflected in the Official Bid Form accepted as the best bid for the Bonds or the
153 Bond Purchase Agreement. The Bonds shall initially be registered in the name as set forth in the
154 Official Bid Form or the Bond Purchase Agreement. In case any officer whose signature shall
155 appear on the Bonds shall cease to be such officer before the delivery of the Bonds, the signature

shall be valid and sufficient for all purposes the same as if the officer had remained in office until delivery. An Authorized Representative shall not execute the Official Bid Form or the Bond Purchase Agreement unless the applicable Underwriter has confirmed to an Authorized Representative that either it has made disclosure filings to the Texas Ethics Commission in accordance with Section 2252.908, Texas Government Code or is exempt from making such filings under Section 2252.908(c)(4), Texas Government Code. Within thirty (30) days of receipt of any disclosure filings from the best bidder for the Bonds, the City will acknowledge such disclosure filings in accordance with the rules of the Texas Ethics Commission. Any finding or determination made by an Authorized Representative relating to the issuance and sale of the Bonds shall have the same force and effect as a finding or determination made by Council; *provided*, that (i) the price to be paid for the Bonds shall not be less than 95% of the aggregate principal amount of the Bonds sold, plus accrued interest, if any, (ii) the Bonds shall not bear interest at a rate greater than the maximum rate allowed by Chapter 1204, (iii) the Bonds shall not have a final maturity beyond September 1, 2042, and (iv) prior to the execution of the Official Bid Form or Bond Purchase Agreement by an Authorized Representative, the Bonds shall be rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for long-term debt instruments.

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

(d) It is in the best interests of the City for the Bonds to be sold through a competitive or negotiated sale, and Council authorizes each Authorized Representative, individually but not collectively, to execute the Official Bid Form or Bond Purchase Agreement to evidence the acceptance by the City of the terms and conditions relating to the sale of the Bonds, at the price the Authorized Representative executing the Official Bid Form or Bond Purchase Agreement determines to be the most advantageous to the City. The conditions set forth in PART 12 of this Ordinance must be met prior to any Authorized Representative executing the Official Bid Form or the Bond Purchase Agreement.

(e) The authority of an Authorized Representative to execute the Official Bid Form or Bond Purchase Agreement shall expire at 11:59 p.m. on the Expiration Date. Bonds sold pursuant to the Bidding Instructions and an Official Bid Form or a Bond Purchase Agreement executed on or before the Expiration Date may be delivered after the Expiration Date.

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

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

199 **PART 5. REDEMPTION PROVISIONS.**

200 (a) The Bonds may be subject to redemption, at the option of the City, prior to their
201 stated maturities to the extent and in the manner provided in the Bidding Instructions and the
202 Official Bid Form or the Bond Purchase Agreement. The years of maturity of the Bonds called
203 for redemption at the option of the City prior to their stated maturity shall be selected by the
204 City. The Bonds or any portion redeemed within a maturity shall be selected by lot, or other
205 customary random selection method, by the Paying Agent/Registrar; provided, that during any
206 period in which ownership of the Bonds is determined only by a book entry at DTC, if fewer
207 than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed,
208 the particular Bonds of such maturity and bearing such interest rate shall be selected in
209 accordance with the arrangements between the City and DTC.

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

213 (c) At least thirty (30) days before the date fixed for redemption, the City shall cause
214 a written notice of the redemption to be deposited in the United States mail, first-class postage
215 prepaid, addressed to each Registered Owner at the address shown on the Registration Books.
216 By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar
217 for the payment of the required redemption price for the Bonds which are to be redeemed, plus
218 accrued interest to the date fixed for redemption. If the notice of redemption is given, and if
219 provision for payment is made, all as provided above, the Bonds, or the portions of the Bonds,
220 which are to be redeemed, automatically shall be redeemed prior to their scheduled maturities,
221 and shall not bear interest after the date fixed for their redemption, and shall not be regarded as
222 outstanding except for the right of the Registered Owner to receive the redemption price plus
223 accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the
224 funds provided for payment. The Paying Agent/Registrar shall record in the Registration Books
225 all redemptions of principal of the Bonds or any portion of the principal. If a portion of any
226 Bond shall be redeemed, one or more substitute Bonds having the same maturity date, bearing
227 interest at the same rate, in any Authorized Denomination, at the written request of the
228 Registered Owner, and in an aggregate principal amount equal to the unredeemed portion of the
229 Bonds, will be issued to the Registered Owner upon the surrender for cancellation, at the expense
230 of the City, all as provided in this Ordinance. In addition, the City shall cause the Paying
231 Agent/Registrar to give notice of any redemption in the manner set forth in PART 5. The failure
232 to cause notice to be given, however, or any defect in the notice, shall not affect the validity or
233 effectiveness of the redemption. Unless the Paying Agent/Registrar has received funds sufficient
234 to pay the redemption price of the Bonds to be redeemed before giving of a notice of redemption,
235 the notice of redemption may state the City may condition redemption on the receipt by the
236 Paying Agent/Registrar of sufficient funds on or before the date fixed for the redemption, or on
237 the satisfaction of any other prerequisites set forth in the notice of redemption. If a notice of
238 conditional redemption is given and such prerequisites to the redemption and sufficient funds are
239 not received, the notice shall be of no force and effect, the City shall not redeem the Bonds and
240 the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption
241 was given, that the Bonds have not been redeemed.

242
243 (d) If a notice of redemption is given and sufficient funds are not received for the
244 payment of the required redemption price for the Bonds which are to be redeemed, the notice
245 shall be of no force and effect, the City shall not redeem the Bonds, and the Paying

Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, that the Bonds have not been redeemed.

(e) Each redemption notice required by this Ordinance shall contain a description of the Bonds to be redeemed, including the complete name of the Bonds, the series, the date of issue, the interest rate, the maturity date, the CUSIP number, the amounts of the Bonds called for redemption, the date of redemption, the redemption price, the name of the Paying Agent/Registrar and the address at which the Bond 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 Bonds which are to be redeemed by the date fixed for redemption. All redemption payments made by the Paying Agent/Registrar to the Registered Owners of the Bonds shall include CUSIP numbers relating to each amount paid to such Registered Owner.

PART 6. INTEREST.

The Bonds shall bear interest at the rates per annum set forth in the Official Bid Form or Bond Purchase Agreement. The interest shall be payable to the Registered Owner of any Bond in the manner provided and on the dates stated in the Official Bid Form or Bond 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 BONDS.

(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 Bonds 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 Bond may be transferred in the Registration Books only upon presentation and surrender of the Bond 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 Bond, or any portion of the Bond, in any Authorized Denomination, to the assignee or assignees, and the right of the assignee or assignees to have the Bond or any portion of the Bond registered in the name of the assignee or assignees. Upon the assignment and transfer of any Bond, a new substitute obligation or obligations shall be issued in exchange for the Bond in the manner provided in this Ordinance.

(b) The entity in whose name any Bond shall be registered in the Registration Books at any time shall be treated as the absolute owner of the Bond for all purposes of this Ordinance, whether the Bond 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 Bond shall be made only to the Registered Owner. All

290 payments shall be valid and effectual to satisfy and discharge the liability on the Bond to the
291 extent of the sum or sums so paid.

292 (c) The Paying Agent/Registrar shall act as the paying agent for paying the principal
293 of, premium, if any, and interest on, the Bonds, and to act as the agent of the City to exchange or
294 replace Bonds, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper
295 records of all payments made by the City and the Paying Agent/Registrar with respect to the
296 Bonds, and of all exchanges and replacements, as provided in this Ordinance.

297 (d) Each Bond may be exchanged for fully registered obligations as set forth in this
298 Ordinance. Each Bond issued and delivered pursuant to this Ordinance, to the extent of the
299 unredeemed principal amount, may, upon surrender at the Designated Payment/Transfer Office,
300 together with a written request duly executed by the Registered Owner or its assignee or
301 assignees, or its or their duly authorized attorneys or representatives, with guarantee of
302 signatures satisfactory to the Paying Agent/Registrar, at the option of the Registered Owner or its
303 assignee or assignees, as appropriate, be exchanged for fully registered obligations, without
304 interest coupons, in the form prescribed in the Form of Bond, in any Authorized Denomination
305 (subject to the requirement stated below that each substitute Bond shall have a single stated
306 maturity date), as requested in writing by the Registered Owner or its assignee or assignees, in an
307 aggregate principal amount equal to the unredeemed principal amount of any Bond or Bonds so
308 surrendered, and payable to the appropriate Registered Owner, assignee, or assignees. If a
309 portion of any Bond is assigned and transferred, each Bond issued in exchange shall have the
310 same maturity date and bear interest at the same rate as the Bond for which it is being
311 exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each
312 other Bond. The Paying Agent/Registrar shall exchange or replace Bonds as provided in this
313 Ordinance, and each fully registered Bond delivered in exchange for or replacement of any Bond
314 or portion of a Bond as permitted or required by any provision of this Ordinance shall constitute
315 one of the Bonds for all purposes of this Ordinance and may again be exchanged or replaced.
316 Any Bond delivered in exchange for or replacement of another Bond before the first scheduled
317 interest payment date on the Bonds (as stated on the face of the Bond) shall be dated the same
318 date, but each substitute Bond delivered on or after the first scheduled interest payment date shall
319 be dated the interest payment date preceding the date on which the substitute Bond is delivered,
320 unless the substitute Bond is delivered on an interest payment date, in which case it shall be
321 dated as of the date of delivery; however, if at the time of delivery of any substitute Bond the
322 interest on the Bond for which it is being exchanged has not been paid, then the substitute Bond
323 shall be dated the date to which interest has been paid in full. On each substitute Bond issued in
324 exchange for or replacement of any Bond issued under this Ordinance there shall be printed on
325 the Bond the Authentication Certificate. An authorized representative of the Paying
326 Agent/Registrar shall, before the delivery of any substitute Bond, date the substitute Bond in the
327 manner set forth above, and manually sign and date the Authentication Certificate, and no
328 substitute Bond shall be considered to be issued or outstanding unless the Authentication
329 Certificate is executed. The Paying Agent/Registrar promptly shall cancel all Bonds surrendered
330 for exchange or replacement. No additional ordinances, orders, or resolutions need be passed or
331 adopted by Council or any other body or person to accomplish the exchange or replacement of
332 any Bond, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery
333 of the substitute Bonds in the manner prescribed in this Ordinance. Pursuant to Chapter 1206,
334 the duty of exchange or replacement of any Bond is imposed on the Paying Agent/Registrar, and,
335 upon the execution of the Authentication Certificate, the exchanged or replaced obligation shall
336 be valid, incontestable, and enforceable in the same manner and with the same effect as the
337 Initial Bond. Neither the City nor the Paying Agent/Registrar shall be required to transfer or
338 exchange any Bond 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 Bond.

(e) All Bonds issued in exchange or replacement of any other Bond or portion of a Bond (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on the Bonds 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 Bonds, (v) shall have the characteristics, (vi) shall be signed and sealed, and (vii) the principal of and interest on the Bonds shall be payable, all as provided, and in the manner required or indicated in this Ordinance and the Official Bid Form or Bond Purchase Agreement.

(f) The City shall pay the Paying Agent/Registrar's reasonable and customary fees and charges for making transfers of Bonds, but the Registered Owner of any Bond requesting the transfer shall pay any taxes or other governmental charges required for the transfer. The Registered Owner of any Bond requesting any exchange shall pay the Paying Agent/Registrar's reasonable and standard or customary fees and charges for exchanging any Bond or a portion of a Bond, 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 Bond or Bonds 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 Bonds 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 Bonds, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer or registration of Bonds, and with respect to the exchange of Bonds 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 Bonds that at all times while the Bonds 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 Bonds 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 Bonds, 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 Bonds, 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.

386 **PART 8. FORM OF BONDS.**

387 The Bonds shall be signed with the manual or facsimile signatures of the Mayor and the
388 City Clerk, and the seal of the City shall be affixed or impressed on the Bonds. The form of all
389 Bonds, including the form of the Comptroller's Registration Certificate to accompany the Initial
390 Bond, the form of the Authentication Certificate, and the Form of Assignment to be printed on
391 each Bond, shall be, respectively, substantially in the form set forth in Exhibit A, with such
392 appropriate variations, omissions, or insertions as are permitted or required by this Ordinance
393 and the Official Bid Form or Bond Purchase Agreement.

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

395 (a) The Interest and Sinking Fund (which may include the designation or title by
396 which a series of Bonds shall be known, as determined pursuant to PART 4(b) of this Ordinance)
397 is created and it shall be established and maintained at an official depository of the City. The
398 Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of
399 the City, and shall be used only for paying the interest on and principal of the Bonds. All ad
400 valorem taxes levied and collected for and on account of the Bonds shall be deposited, as
401 collected, to the credit of the Interest and Sinking Fund. During each year while any Bond is
402 outstanding and unpaid, Council shall compute and ascertain the rate and amount of ad valorem
403 tax, based on the latest approved tax rolls of the City, with full allowances being made for tax
404 delinquencies and costs of tax collections, which will be sufficient to raise and produce the
405 money required to pay the interest on the Bonds as the interest comes due, and to provide a
406 sinking fund to pay the principal (including mandatory sinking fund redemption payments, if
407 any) of the Bonds as the principal matures, but never less than 2% of the outstanding principal
408 amount of the Bonds as a sinking fund each year. The rate and amount of ad valorem tax needed
409 to fund this obligation is ordered to be and is hereby levied against all taxable property in the
410 City for each year while any Bond is outstanding and unpaid, and the ad valorem tax shall be
411 assessed and collected each year and deposited to the credit of the Interest and Sinking Fund.
412 The ad valorem taxes necessary to pay the interest on and principal of the Bonds, as the interest
413 comes due, and the principal matures or comes due through operation of the mandatory sinking
414 fund redemption, if any, as provided in the Official Bid Form or Bond Purchase Agreement, are
415 pledged for this purpose, within the limit set by law. The City appropriates from current funds
416 on hand and directs the transfer for deposit into the Interest and Sinking Fund, moneys as may be
417 necessary to pay debt service on the Bonds scheduled to occur prior to receipt of taxes levied to
418 pay such debt service. Money in the Interest and Sinking Fund, at the option of the City, may be
419 invested in the securities or obligations as permitted under applicable law and the City's
420 investment policy. Any securities or obligations in which money is invested shall be kept and
421 held in trust for the benefit of the owners of the Bonds and shall be sold and the proceeds of sale
422 shall be timely applied to the making of all payments required to be made from the Interest and
423 Sinking Fund. Interest and income derived from the investment of money in the Interest and
424 Sinking Fund shall be credited to the Interest and Sinking Fund.

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

428 (c) Chapter 1208 applies to the issuance of the Bonds and the pledge of ad valorem
429 taxes made under PART 9(a) of this Ordinance, and the pledge is valid, effective, and perfected.
430 If Texas law is amended at any time while any Bond is outstanding and unpaid so that the pledge
431 of ad valorem taxes made by the City under PART 9(a) of this Ordinance is to be subject to the

filing requirements of Chapter 9, then to preserve to the Registered Owners of the Bonds 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 10. DAMAGED, LOST, STOLEN OR DESTROYED BONDS.

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

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

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

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

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

PART 11. SUBMISSION OF PROCEEDINGS TO ATTORNEY GENERAL.

The Mayor, or his designee, and each Authorized Representative, is authorized to have control of the Bonds and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination and approval by the Texas Attorney General and their registration by the Comptroller. The City shall submit a single bond to the Texas

Attorney General, in the aggregate principal amount of the Bonds sold and containing the interest rates and schedule of principal payment dates, all as set forth in the Official Bid Form or Bond Purchase Agreement (the "Initial Bond"). Upon registration of the Initial Bond, the Comptroller (or a deputy designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate accompanying the Initial Bond, and the seal of the Comptroller shall be impressed, or placed in facsimile, on the Initial Bond. The Initial Bond shall be numbered T-1. After registration by the Comptroller, delivery of the Bonds shall be made to the Underwriters, under and subject to the general supervision and direction of the Mayor or an Authorized Representative, against receipt by the City of all amounts due to the City under the terms of sale, and the Initial Bond shall be cancelled. Council authorizes the payment of the fee of the Office of the Attorney General of the State of Texas for the examination of the proceedings relating to the issuance of the Bonds, in the amount determined in accordance with the provisions of Section 1202.004, Texas Government Code.

PART 12. SALE OF BONDS; OFFICIAL STATEMENT.

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

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

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

(d) Proceeds from the sale of the Bonds shall be disbursed in the amounts and for the purposes set forth in the closing letter of instructions. An Authorized Representative may provide for the establishment of any fund, account or subaccount as deemed necessary or

appropriate for the safekeeping and administration of proceeds from the sale of the Bonds pending their disbursement for authorized purposes.

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

(f) An Authorized Representative shall not execute the Official Bid Form or Bond Purchase Agreement for the purpose of refunding the Refunded Obligations unless the refunding results in a net present value savings of 4.25% and a positive gross savings. The Authorized Representative shall execute a certificate setting forth the savings generated from the refunding of the Refunded Obligations and stating that the minimum savings threshold established by this Ordinance has been met.

(g) An Authorized Representative is authorized and directed to execute the Escrow Agreement on behalf of the City. _____ is not a depository bank of the City and is named Escrow Agent in accordance with Section 1207.061(a)(3), Texas Government Code. An Authorized Representative shall not execute the Escrow Agreement unless the Escrow Agent has confirmed to an Authorized Representative that either it has made disclosure filings to the Texas Ethics Commission in accordance with Section 2252.908, Texas Government Code or is exempt from making filings under Section 2252.908(c)(4), Texas Government Code. Within thirty (30) days of receipt of the execution of the Escrow Agreement, disclosure filings received from the Escrow Agent will be acknowledged by the City in accordance with the rules of the Texas Ethics Commission.

PART 13. COVENANTS TO MAINTAIN TAX EXEMPT STATUS.

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

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

(b) to take any action to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and

not "disproportionate", within the meaning of section 141(b)(3) of the Code, to the governmental use;

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

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

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

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

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

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

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

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

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

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

The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of a refunding bond, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of the issuance of the Bonds. It is the

understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, 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 Bonds 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 Bonds, 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 Bonds 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 Bonds. 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 Bonds. 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 Bonds 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 Bonds or (b) the date the Bonds 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 Bonds. 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 Bonds 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 Bonds. 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 14. 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 12 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 the financial statements and the audit is completed within the period during which they must be provided. If the audit of the 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 Bonds:

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

- 712 agreement to undertake such an action or the termination of a definitive
713 agreement relating to any such actions, other than pursuant to its terms, if
714 material;
- 715 (xiv) Appointment of a successor trustee or change in the name of the trustee, if
716 material;
- 717 (xv) Incurrence of a Financial Obligation of the Obligated Person, if material,
718 or agreement to covenants, events of default, remedies, priority rights, or
719 other similar terms of a Financial Obligation of the Obligated Person, any
720 of which affect security holders, if material; and
- 721 (xvi) Default, event of acceleration, termination event, modification of terms, or
722 other similar event under the terms of a Financial Obligation of the
723 Obligated Person, and which reflect financial difficulties.

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

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

736 As used in clauses (xv) and (xvi) above, the term "Financial Obligation" means: (i) a debt
737 obligation; (ii) a derivative instrument entered into in connection with, or pledged as security or a
738 source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii);
739 however, the term Financial Obligation shall not include Municipal Securities as to which a final
740 official statement has been provided to the MSRB consistent with the Rule; the term "Municipal
741 Securities" means securities which are direct obligations of, or obligations guaranteed as to
742 principal or interest by, a state or any political subdivision thereof, or any agency or
743 instrumentality of a state or any political subdivision thereof, or any municipal corporate
744 instrumentality of one or more states and any other Municipal Securities described by Section
745 3(a)(29) of the Securities Exchange Act of 1934, as the same may be amended from time to time;
746 and the term "Obligated Person" means the City.

747
748 (c) *Limitations, Disclaimers, and Amendments.* The City shall be obligated to
749 observe and perform the covenants named in this PART for only so long as the City remains an
750 "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City
751 will give written notice of any deposit made in accordance with this Ordinance, or applicable
752 law, that causes any Bond no longer to be outstanding.

753 The provisions of this PART are for the sole benefit of the holders and beneficial owners
754 of the Bonds, and nothing in this PART, express or implied, shall give any benefit or any legal or
755 equitable right, remedy, or claim to any other person. The City undertakes to provide only the
756 financial information, operating data, financial statements, and notices which it has expressly
757 agreed to provide pursuant to this PART and does not undertake to provide any other
758 information that may be relevant or material to a complete presentation of the City's financial

759 results, condition, or prospects or to update any information provided in accordance with this
760 PART or otherwise, except as expressly provided in this Ordinance. The City does not make any
761 representation or warranty concerning the information or its usefulness to a decision to invest in
762 or sell Bonds at any future date.

763 UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER
764 OR BENEFICIAL OWNER OF ANY OBLIGATION OR ANY OTHER PERSON, IN
765 CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM
766 ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS
767 PART, OF ANY COVENANT SPECIFIED IN THIS PART, BUT EVERY RIGHT AND
768 REMEDY OF ANY PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY
769 BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC
770 PERFORMANCE.

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

775 The provisions of this PART may be amended by the City from time to time to adapt to
776 changed circumstances that arise from a change in legal requirements, a change in law, or a
777 change in the identity, nature, status, or type of operations of the City, but only if (1) the
778 provisions of this PART, as amended, would have permitted an underwriter to purchase or sell
779 Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any
780 amendments or interpretations of the Rule since the offering as well as the changed
781 circumstances and (2) either (a) the holders of a majority in aggregate principal amount (or any
782 greater amount required by any other provision of this Ordinance that authorizes an amendment)
783 of the outstanding Bonds consent to the amendment or (b) a person that is unaffiliated with the
784 City (such as nationally-recognized bond counsel) determines that the amendment will not
785 materially impair the interest of the holders and beneficial owners of the Bonds. If the City
786 amends the provisions of this PART, it shall include with the next financial information and
787 operating data provided in accordance with subsection (a) of this PART an explanation, in
788 narrative form, of the reason for the amendment and of the impact of any change in the type of
789 financial information or operating data so provided. The City may also amend or repeal the
790 provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable
791 provision of the Rule or a court of final jurisdiction enters judgment that the provisions of the
792 Rule are invalid, but only if and to the extent that the provisions of this sentence would not
793 prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the
794 Bonds. Should the Rule be amended to obligate the City to make filings with or provide notices
795 to entities other than the MSRB, the City agrees to undertake such obligation in accordance with
796 the Rule as amended.

797 798 **PART 15. DTC REGISTRATION.**

799 The Bonds initially shall be issued and delivered in the manner that no physical
800 distribution of the Bonds will be made to the public, and DTC initially will act as depository for
801 the Bonds. DTC has represented that it is a limited purpose trust company incorporated under
802 the laws of the State of New York, a member of the Federal Reserve System, a "clearing
803 corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing
804 agency" registered under Section 17A of the Securities Exchange Act of 1934, as amended, and
805 the City accepts, but in no way verifies, the representations of DTC. The Bonds initially

authorized by this Ordinance intended to be held by DTC shall be delivered to and registered in the name of Cede & Co., the nominee of DTC. It is expected that DTC will hold the Bonds on behalf of the Underwriters and their participants. So long as each Bond is registered in the name of Cede & Co., the Paying Agent/Registrar shall treat and deal with DTC the same in all respects as if it were the actual and beneficial owner. It is expected that DTC will maintain a book-entry system, which will identify ownership of the Bonds in Authorized Denominations, with transfers of ownership being effected on the records of DTC and its participants pursuant to rules and regulations established by them, and that the Bonds initially deposited with DTC shall be immobilized and not be further exchanged for substitute Bonds except as set forth in this Ordinance. The City and the Paying Agent/Registrar are not responsible or liable for any functions of DTC, will not be responsible for paying any fees or charges with respect to its services, will not be responsible or liable for maintaining, supervising, or reviewing the records of DTC or its participants, or protecting any interests or rights of the beneficial owners of the Bonds. 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 Bonds, 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 Bonds is duly filed with the Paying Agent/Registrar with proper request for transfer and substitution, as provided for in this Ordinance, substitute Bonds 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 Bonds. 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 16. DEFEASANCE.

(a) *Defeased Bonds.* Any Bond will be treated as a Defeased Bond, except to the extent provided in subsection (d) of this PART, when payment of the principal of the Bond, 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 Bonds in accordance with a Future Escrow Agreement for the payment of the Bond (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 Bonds 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 Bonds from the gross income of the holders for federal income taxation purposes. At the time as a Bond shall be considered to be a Defeased Bond, the Bond and the interest on that Bond 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 Bonds and interest, with respect to which money has been deposited, shall be turned over to the City, or deposited as directed in writing by the City. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Bonds may contain provisions permitting the investment or reinvestment of the moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements described in subsections (a) (i) or (ii) of this PART. All income from the Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Bonds, with respect to which money has been so deposited, shall be remitted to the City or deposited as directed in writing by the City. The Paying Agent/Registrar shall not be liable for any loss pertaining to an investment executed in accordance with written instructions from the City.

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

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

PART 17. DEFAULT AND REMEDIES.

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

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

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

(b) *Remedies for Default.*

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

(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 Bonds; however, there is no right to accelerate the debt evidenced by the Bonds.

(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 Bond 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 18. 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 Bonds, the Official Bid Form or Bond Purchase Agreement, the offering documents prepared in connection with the sale of the Bonds, the Escrow Agreement or the Paying Agent/Registrar Agreement. In case any officer whose signature appears on any Bond shall stop being the officer before the delivery of the Bond, 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 Bond Purchase Agreement, the Paying Agent/Registrar Agreement, the Escrow Agreement, the Preliminary Official Statement and the final Official Statement or as may be required for approval of the Bonds 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 19. 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 provision means the provision as it exists on the date this Ordinance is adopted by the City. Any reference to the payment of principal in this Ordinance shall include the payment of any mandatory sinking fund redemption payments as described in this Ordinance. Any reference to "Form of Bond" refers to the form of the Bonds in Exhibit A to this Ordinance. The titles and headings of the PARTS and subsections of this Ordinance have been inserted for convenience of reference only and are not a part of this Ordinance and shall not in any way modify or restrict any of its terms or provisions.

PART 20. CONFLICTING ORDINANCES REPEALED.

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

PART 21. IMMEDIATE EFFECT.

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

[The remainder of this page is intentionally left blank]

PASSED AND APPROVED AND EFFECTIVE SEPTEMBER 1, 2022.

Steve Adler,
Mayor, City of Austin, Texas

ATTEST:

Myrna Rios,
City Clerk, City of Austin, Texas

(SEAL)

APPROVED:

Deborah Thomas,
Acting City Attorney, City of Austin, Texas

EXHIBIT A

Form of Bond

NO. R-__

\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF AUSTIN, TEXAS
PUBLIC IMPROVEMENT AND REFUNDING BOND, SERIES 2022

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Dated Date</u>	<u>CUSIP No.</u>
_____ 1, 20__	_____ %	October __, 2022	

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, 2023, and semiannually on each September 1 and March 1 thereafter; except that if the Paying Agent/Registrar's Authentication Certificate appearing on the face of this Bond is dated later than March 1, 2023, such interest is payable semiannually on each September 1 and March 1 following such date.

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

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

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

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

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

THIS BOND is one of a series of Bonds of like tenor and effect except as to number, principal amount, interest rate, maturity and option of redemption, 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 (i) make and acquire various public improvements for the City, as described in the Ordinance, (ii) refund the Refunded Obligations, and (iii) pay the costs of issuance associated with the sale of the Bonds.

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

AT LEAST thirty (30) days prior to the date fixed for any redemption, a written notice of redemption shall be given to the registered owner of each Bond or a portion thereof being called for redemption by depositing such notice in the United States mail, first class postage prepaid, addressed to each such registered owner at his address shown on the Registration Books of the Paying Agent/Registrar. By the date fixed for any redemption due provision shall be made by the City with the Paying Agent/Registrar for the payment of the required redemption price for this Bond or the portion hereof which is to be so redeemed, plus accrued interest thereon to the date fixed for redemption. If notice of redemption is given, and if due provision for such payment is made, all as provided above, this Bond, or the portion hereof which is to be so redeemed, thereby automatically shall be redeemed prior to its scheduled maturity, and shall not bear interest after the date fixed for its redemption, and shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price plus accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the funds provided for payment. The Paying Agent/Registrar shall record in the Registration Books all redemptions of principal of this Bond or any portion hereof. If a portion of any Bond shall be redeemed, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Ordinance. With respect to any optional redemption of the Bonds, unless certain prerequisites to such optional redemption required by the Ordinance have been met and money sufficient to pay the principal of, premium, if any, and interest on the Bonds to be redeemed will have been received by the Paying Agent/Registrar prior to giving such notice, such notice may state that the optional redemption will, at the option of the City, be conditional upon the satisfaction of such prerequisites and receipt of such money by the Paying Agent/Registrar on or prior to the date fixed for such redemption or upon any prerequisite set forth in the notice of redemption. If a notice of conditional redemption is given and such prerequisites to the redemption are not satisfied, such notice will be of no force and effect, the City will not redeem such Bonds and the Paying Agent/Registrar will give notice in the manner in which the notice of redemption was given, to the effect that such Bonds will not be redeemed.

ALL BONDS OF THIS SERIES are issuable solely as fully registered bonds, without interest coupons, in the denomination of any integral multiple of \$5,000 (an "Authorized Denomination"). As provided in the Ordinance, this Bond may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, and exchanged for a like aggregate principal amount of fully registered bonds, without interest coupons, payable to the appropriate registered owner, assignee, or assignees, as the case may be, having the same maturity date, and bearing interest at the same rate, in any Authorized Denomination as requested in writing by the appropriate registered owner, assignee, or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar at its Designated Payment/Transfer Office for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be transferred and registered. The form of Assignment printed or endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of

assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the registered owner. The one requesting such exchange shall pay the Paying Agent/Registrar's reasonable standard or customary fees and charges for exchanging any Bond or portion thereof. The foregoing notwithstanding, in the case of the exchange of an assigned and transferred Bond or Bonds or any portion or portions thereof, such fees and charges of the Paying Agent/Registrar will be paid by the City. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, or exchange as a condition precedent to the exercise of such privilege. In any circumstance, neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond so selected for redemption, in whole or in part, within forty-five (45) calendar days of the date fixed for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the registered owner of the uncalled principal of a Bond.

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

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and promptly will cause written notice thereof to be mailed to the registered owners of the Bonds.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond, and the series of which it is a part, is duly authorized by law; that the bonds issued for the public improvements heretofore described were approved by a vote of the resident, qualified electors of the City, voting at elections held for that purpose by the City on November 8, 2016, November 6, 2018 and November 3, 2020, that all acts, conditions and things required to be done precedent to and in the issuance of this series of bonds, and of this Bond, have been properly done and performed and have happened in regular and due time, form and manner as required by law; that sufficient and proper provision for the levy and collection of ad valorem taxes has been made, which, when collected, shall be appropriated exclusively to the payment of this Bond and the series of which it is a part; and that the total indebtedness of the City, including the entire series of bonds of which this is one, does not exceed any constitutional or statutory limitation.

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

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

Myrna Rios,
City Clerk, City of Austin, Texas

Steve Adler,
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 Bond is not accompanied by an
executed Registration Certificate of the Comptroller
of Public Accounts of the State of Texas)

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

Dated: _____

_____,
Paying Agent/Registrar

By: _____
Authorized Representative

* * * * *

FORM OF COMPTROLLER'S CERTIFICATE
(ATTACHED TO THE INITIAL BOND):

OFFICE OF COMPTROLLER :
STATE OF TEXAS :

REGISTER NO. _____

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

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

Comptroller of Public Accounts of the
State of Texas

(SEAL)

* * * * *

FORM OF ASSIGNMENT:

ASSIGNMENT

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

Please insert Social Security or Taxpayer Identification Number of Transferee

/_____/

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

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney to register the transfer of
the within Bond on the books kept for registration thereof, with full power of substitution in the
premises.

Dated: _____

Signature Guaranteed:

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

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

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

- (i) immediately under the name of the note the headings "Maturity Date", "Interest Rate", "Dated Date" and "Cusip" shall be omitted; and
- (ii) Paragraph one shall read as follows:

Registered Owner:

Principal Amount:

Dated Date: October __, 2022

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</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		

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, 2023, and semiannually on each September 1 and March 1 thereafter; except that if the Paying Agent/Registrar's Authentication Certificate appearing on the face of this Bond is dated later than March 1, 2023, such interest is payable semiannually on each September 1 and March 1 following such date.

SCHEDULE I
(*Amounts in thousands)

<u>Purpose</u>	<u>Total Amount Authorized*</u>	<u>Amount Previously Issued*</u>	<u>Amount Being Issued*</u>	<u>Unissued Amount*</u>
<u>10/22/83 Election</u> Brackenridge 2000	\$ 50,000	\$ 40,785	\$0	\$9,215
<u>09/08/84 Election</u> Park Improvements	9,975	9,648	0	327
<u>1/19/85 Election</u> Cultural Arts	20,285	14,890	0	5,395
<u>11/7/06 Election</u> Cultural Facilities	31,500	27,500	0	4,000
<u>11/6/12 Election</u> Transportation and Mobility	143,299	130,315	0	12,984
Park Improvements	77,680	76,180	0	1,500
Public Safety Improvements	31,079	31,075	0	4
Health and Human Services	11,148	11,145	0	3
Library, Museum and Cultural Arts	13,442	13,440	0	2
<u>11/8/16 Election</u> Transportation and Mobility	720,000	172,095	110,000	437,905
<u>11/6/18 Election</u> Affordable Housing	250,000	140,295	60,000 ¹	49,705
Library, Museum and Cultural Arts	128,000	6,700	3,000	118,300
Park Improvements	149,000	28,275	15,000	105,725
Flood Mitigation and Water Quality	184,000	72,685	3,000	108,315
Dove Springs Public Health	16,000	4,190	0	11,810
Public Safety Improvements	38,000	9,450	0	28,550
Transportation and Mobility	160,000	34,895	0	125,105
<u>11/3/20 Election</u> Transportation and Mobility	460,000	0	9,000	451,000
TOTAL	\$2,493,408	\$823,563	\$200,000	\$1,469,845

¹ Funded from the City's Public Improvement Bonds, Taxable Series 2022, issued pursuant to a separate ordinance presented for approval concurrently with this Ordinance.

SCHEDULE II
SUMMARY OF OBLIGATIONS ELIGIBLE TO BE REFUNDED

City of Austin, Texas Public Improvement Bonds, Series 2012A

City of Austin, Texas Certificates of Obligation, Series 2012

DRAFT