

**ORDINANCE AUTHORIZING ISSUANCE OF
CITY OF FORT WORTH, TEXAS TAX NOTES, SERIES 2021A,
IN AN AGGREGATE PRINCIPAL AMOUNT OF \$74,000,000;
APPROVING THE SALE OF THE NOTES; ENACTING OTHER PROVISIONS
RELATING TO THE SUBJECT; AND DECLARING AN IMMEDIATE EFFECTIVE
DATE**

THE STATE OF TEXAS :
COUNTIES OF TARRANT, DENTON, WISE, PARKER AND JOHNSON :
CITY OF FORT WORTH :

WHEREAS, the Issuer (such term and other capitalized terms used in this Ordinance being as defined in Exhibit A attached hereto), is a home-rule municipality having a total population of at least 80,000 according to the last preceding federal census, and was organized, created and established pursuant to the Constitution and laws of the State of Texas; and

WHEREAS, the City Council is authorized pursuant to Chapter 1431 to issue notes for specified purposes, including, without limitation, to pay a contractual obligation incurred or to be incurred for the construction of a public work and the purchase of materials, supplies, equipment, machinery, buildings, lands, and rights-of-way for an issuer's authorized needs and purposes; and

WHEREAS, the City Council deems it in the best interest of the Issuer to issue the Notes, pursuant to Chapter 1431, for the purposes hereinafter stated, and to secure the payment of the Notes from a pledge of the ad valorem taxes assessed and collected by the City, on the terms and conditions set forth in this Ordinance; and

WHEREAS, to finance a portion of the Projects (as defined herein), concurrently with the adoption of this Ordinance, the City Council approved an ordinance authorizing the issuance of City of Fort Worth, Texas Tax Notes, Taxable Series 2021B, in the aggregate principal amount of \$26,000,000 (the "Series 2021B Notes").

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH, TEXAS:

Section 1. **SALE OF NOTES, AMOUNT AND PURPOSE OF NOTES.** (a) **Sale to Purchaser.** That pursuant to authority granted to the City Council by Chapter 1431, the Notes shall be and are hereby authorized to be issued in an aggregate principal amount of \$74,000,000 for the purpose of PAYING CONTRACTUAL OBLIGATIONS INCURRED OR TO BE INCURRED FOR THE CONSTRUCTION OF PUBLIC WORKS AND THE PURCHASE OF MATERIALS, SUPPLIES, EQUIPMENT, MACHINERY, BUILDINGS, LANDS, AND RIGHTS-OF-WAY FOR THE ISSUER'S AUTHORIZED NEEDS AND PURPOSES, as more fully described in Schedule I attached to this Ordinance (the "Projects"), and to pay the costs of issuance of the Notes. The sale of the Notes to the Purchaser, at the purchase price set forth in the Purchase Agreement, is hereby approved. The Initial Note shall be delivered to the Purchaser, and the Purchaser shall have the right to exchange the Initial Note for definitive Notes as provided in Section 5 hereof without cost. It is hereby officially found, determined and declared that the Notes are being sold to the Purchaser at terms that are the most advantageous reasonably obtained. The execution of the Purchase Agreement by the City Manager, or any Assistant City Manager in the absence of the City Manager, presented

by the Purchaser in substantially the form attached to this Ordinance, is hereby authorized and approved.

(b) Use of Projects for a Municipal Purpose. The building to be acquired as described in Schedule I and financed with the proceeds of the Notes and the Series 2021B Notes will be used as the City Hall for the City. Approximately 35% of the office space within the building currently is leased to entities other than governmental entities, which is why the acquisition of the building is being funded in part with proceeds of the Series 2021B Notes, the interest on which is includable in the gross income of the holders thereof under the Code. The existing leases have terms that expire beginning in 2022 and ending in 2029. Upon the expiration from time to time of existing leases, no lease will be renewed, and upon the office space being vacated at the end of each such existing lease, the office space generally will be converted to use by the City for the municipal purpose described in this Ordinance. The City will be hiring architects and engineers to develop plans to convert the office space to uses consistent with the municipal purpose for which the building is being acquired by the City.

Section 2. **DESIGNATION, DATE, NUMBERS, AND MATURITY OF NOTES.** That the Notes issued pursuant to this Resolution shall be designated: "CITY OF FORT WORTH, TEXAS TAX NOTES, SERIES 2021A", and initially there shall be issued, sold and delivered hereunder one fully registered Note, without interest coupons, dated January 21, 2021, in the principal amount stated above and in the denominations hereinafter stated, numbered T-1 (the "Initial Note"), payable to the Purchaser. The Initial Note shall mature on March 1, 2026. The Initial Note shall be subject to mandatory prepayment on March 1 in each of the years and in the principal amounts, respectively, and shall bear interest in the manner provided, on the dates stated, and from the dates set forth, in the FORM OF NOTE to their respective dates of maturity or redemption prior to maturity at the rates per annum, as set forth in the following schedule:

<u>Years</u>	<u>Principal Installments (\$)</u>	<u>Interest Rates (%)</u>
2022	14,800,000	0.76
2023	14,800,000	0.76
2024	14,800,000	0.76
2025	14,800,000	0.76
2026*	14,800,000	0.76

*Final maturity

The foregoing notwithstanding, (a) if a payment default by the City on the Notes occurs, the interest rate on the delinquent amount shall immediately begin to accrue at a rate of 3% in excess of the then applicable rate on the Notes (the "Default Rate"), and if such payment default is not cured within 90 days of its incurrence, the interest rate on the entire principal amount of the Notes then outstanding shall begin to accrue at the Default Rate, and the Default Rate shall remain in effect until the payment default is cured by the City, or (b) if a Determination of Taxability occurs, the interest rate on the Notes will be 0.96% (the "Taxable Rate"), all in the manner provided in the FORM OF NOTE set forth in Exhibit B to this Ordinance.

In substitution for the Initial Note, there shall be delivered to the Purchaser a single note, Note T-2, in the same form as the Initial Note, without the Comptroller's Registration Certificate attached to Note T-2.

Notwithstanding any provision herein to the contrary, presentment or surrender of the Notes shall not be required for payment of principal or interest thereon except at final maturity.

Section 3. **REDEMPTION.** That the Notes are subject to redemption prior to their scheduled maturities, in the manner provided in the FORM OF NOTE set forth in Exhibit B to this Ordinance.

Section 4. **INTEREST.** That the Notes shall bear interest at the rate per annum set forth in Section 2 of this Ordinance. The interest on the Notes shall be payable to the registered owner of any such Note on the dates and in the manner provided in the FORM OF NOTE set forth in Exhibit B to this Ordinance. Interest on the Notes shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Section 5. **CHARACTERISTICS OF THE NOTES.** (a) **Registration, Transfer, Conversion and Exchange; Authentication.** That the Issuer shall keep or cause to be kept at the Designated Trust Office of the Paying Agent/Registrar the Registration Books, and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep, such books or records and make such registrations of transfers and exchanges under such reasonable regulations as the Issuer and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers and exchanges as herein provided within three calendar days of presentation in due and proper form. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Note. The Issuer 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. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, exchange and delivery of a substitute Note or Notes. Registration of assignments, transfers and exchanges of Notes shall be made in the manner provided and with the effect stated in the FORM OF NOTE. Each substitute Note shall bear a letter and/or number to distinguish it from each other Note.

An authorized representative of the Paying Agent/Registrar shall, before the delivery of any Note (other than Notes that bear the signature of the Comptroller of Public Accounts of the State of Texas, as provided in the FORM OF NOTE), date and manually sign said Note, and no such Note shall be deemed to be issued or outstanding unless such Note is so executed. The Paying Agent/Registrar promptly shall cancel all paid Notes surrendered for transfer and exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the Issuer or any other body or person so as to accomplish the foregoing transfer and exchange of any Note or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Notes in the manner prescribed herein. Pursuant to Chapter 1201, and particularly Subchapter D thereof, the duty of transfer and exchange of Notes as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the Notes, the transferred and exchanged Notes shall be valid and enforceable in the same manner and with the same effect as the Notes which initially were issued and delivered pursuant to this Ordinance and approved by the Attorney General of the State of Texas.

(b) **Payment of Notes and Interest.** The Issuer hereby further appoints the Paying Agent/Registrar to act as the paying agent for the payment of the principal of and interest on the Notes, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all

payments made by the Issuer and the Paying Agent/Registrar with respect to the Notes, and of all transfers and exchanges of Notes, and all replacements of Notes, as provided in this Ordinance.

(c) **In General.** The Notes (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Notes to be payable only to the registered owners thereof, (ii) may be transferred, assigned, converted, and exchanged for other Notes, (iii) may be subject to redemption prior to their scheduled maturities, (iv) shall have the characteristics, (v) shall be signed, sealed, executed and authenticated, (vi) shall be payable as to principal and interest, and (vii) shall be administered and the Paying Agent/Registrar and the Issuer shall have certain duties and responsibilities with respect to the Notes, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF NOTE. On each substitute Note issued in conversion of and exchange for any Note issued under this Ordinance the Paying Agent/Registrar shall execute the Paying Agent/Registrar's Authentication Certificate, in the form set forth in the FORM OF NOTE (the "Authentication Certificate").

(d) **Substitute Paying Agent/Registrar.** The Issuer covenants with the registered owners of the Notes that at all times while the Notes are outstanding the Issuer will provide a competent and legally qualified bank, trust company, financial institution, or other agency to act as and perform the services of Paying Agent/Registrar for the Notes under this Ordinance, and that the Paying Agent/Registrar will be one entity. The Issuer reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 30 days' written notice to the Paying Agent/Registrar, to be effective not later than 15 days prior to the next succeeding Payment Date. 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 cease to act as such, the Issuer covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency 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 thereof), along with all other pertinent books and records relating to the Notes, to the new Paying Agent/Registrar designated and appointed by the Issuer. Upon any change in the Paying Agent/Registrar, the Issuer promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Notes, 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 deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(e) **Reportable Payments.** With respect to the Notes, to the extent required by the Code and the regulations promulgated thereunder, the Paying Agent/Registrar shall report to each registered owner and the Internal Revenue Service (i) the amount of "reportable payments", if any, subject to backup withholding during each year and the amount of tax withheld, if any, with respect to payments of the Notes, and (ii) the amount of interest or amount treated as interest on the Notes and required to be included in the gross income of a registered owner.

Section 6. **FORM OF NOTES.** That the form of the Notes, including the form of the Authentication Certificate and the Form of Assignment shall be, respectively, substantially in the form attached hereto as Exhibit B, with such variations, omissions, or insertions as are appropriate, permitted or required by this Ordinance.

Section 7. **INTEREST AND REDEMPTION FUND; TAX LEVY.** That the Interest and Redemption Fund is hereby created and established solely for the benefit of the Notes, and the

Interest and Redemption Fund shall be established and maintained by the Issuer at an official depository bank of the Issuer for so long as the Notes or interest thereon are outstanding and unpaid. The Interest and Redemption Fund shall be kept separate and apart from all other funds and accounts of the Issuer, and shall be used only for paying the interest on and principal of the Notes. Until expended for the purposes set forth in Section 1 hereof, the proceeds derived from the sale of the Notes shall be held as further security for the timely payment of the principal and interest on the Notes. Ad valorem taxes levied and collected for and on account of the Notes shall be deposited, as collected, to the credit of the Interest and Redemption Fund. During each year while any Note is outstanding and unpaid, the City Council shall compute and ascertain a rate and amount of ad valorem tax which will be sufficient to raise and produce the money required to pay the interest on the Notes as such interest comes due, and to provide and maintain a sinking fund of at least two percent (2%) thereof, in any event in an amount adequate to pay the principal of such Notes as such principal matures; and said tax shall be based on the latest approved tax rolls of the Issuer, with full allowance being made for tax delinquencies and the cost of tax collection. The rate and amount of ad valorem tax is hereby levied by the City Council, and is hereby ordered to be levied, against all taxable property in the Issuer for each year while any Note is outstanding and unpaid; and said tax shall be assessed and collected each such year and deposited to the credit of the Interest and Redemption Fund. Ad valorem taxes sufficient to provide for the payment of the interest on and principal of the Notes as such interest comes due and such principal matures, are hereby pledged from the ad valorem taxes of the Issuer for such payment, within the limit prescribed by law. If sufficient ad valorem taxes have not been levied and collected for the purpose of making debt service payments on Notes when due, there shall be appropriated from the City's general fund moneys sufficient to enable the City to make such debt service payments on a Payment Date including specifically the payment of debt service on the Notes on any Payment Date therefor occurring in the fiscal year ending September 30, 2021. Notwithstanding the foregoing, if the City deposits or budgets to be deposited in the Interest and Redemption Fund any other revenues, income or resources in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes which otherwise would have been required to be levied may be reduced to the extent and by the amount then on deposit or budgeted to be deposited in the Interest and Redemption Fund.

Section 8. CHAPTER 1208, GOVERNMENT CODE, APPLIES TO THE NOTES.

That Chapter 1208 applies to the issuance of the Notes and the pledge of the taxes granted by the Issuer under Section 7 of this Ordinance, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Notes are outstanding and unpaid such that the pledge of the taxes granted by the Issuer under Section 7 of this Ordinance is to be subject to the filing requirements of Chapter 9, then in order to preserve to the registered owners of the Notes the perfection of the security interest in said pledge, the Issuer 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 said pledge to occur.

Section 9. REMEDIES OF REGISTERED OWNERS. That in addition to all rights and remedies of any registered owners of the Notes provided by the laws of the State of Texas, the Issuer covenants and agrees that in the event the Issuer defaults in the payment of the principal of or interest on the Notes when due, the registered owners of the Notes shall be entitled to a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the City Council and other officers of the Issuer to observe and perform any covenant, obligation or condition prescribed in this Ordinance. No delay or omission by any registered owner to exercise any right or power accruing to him upon default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right or power may be exercised from time to time and as often as may be deemed expedient. The specific remedies mentioned in this Ordinance

shall be available to the registered owners of the Notes and shall be cumulative of all other existing remedies. By accepting the delivery of a Note authorized under this Ordinance, the registered owner thereof 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, employees or members of the City or the City Council. None of the members of the City 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 of the Notes under any term or provision of this Ordinance, or because of any default or alleged default under this Ordinance.

Section 10. **TRANSFERS TO PAYING AGENT.** That the Issuer further covenants that on or before each Payment Date, there shall be transferred to the Paying Agent/Registrar an amount sufficient to pay the principal and interest requirements due on the Notes as they become due and payable.

Section 11. **USE OF NOTE PROCEEDS.** That the proceeds of the issuance of the Notes shall be deposited in the manner directed in writing by the Chief Financial Officer/Director of Financial Management Services and used to pay contractual obligations incurred or to be incurred in connection with the construction of public works and the purchase of materials, supplies, equipment, machinery, buildings, lands, and rights-of-way for the Projects. The foregoing notwithstanding, proceeds representing accrued interest, if any, on the Notes shall be deposited to the credit of the Interest and Redemption Fund, and proceeds, if any, representing premium paid as part of the purchase price for the Notes may be used for any purpose authorized by Section 1201.042(d), Texas Government Code.

Section 12. **INVESTMENTS.** (a) That the City may place proceeds of the Notes (including investment earnings thereon) in time deposits, or invest or direct the investment of the same, as authorized by law, including, without limitation, the Public Funds Investment Act of 1987, as amended (Chapter 2256, Texas Government Code), and the City's investment policy; provided, however, that the Issuer hereby covenants that the proceeds of the sale of the Notes will be expended as soon as practicable for the purposes for which the Notes are issued.

(b) Amounts received from the investment of the proceeds of the Notes remaining after the payment of all project costs, to the extent not required to be deposited to a separate rebate fund as required by section 148 of the Code and Section 15 of this Ordinance, shall be placed into the Interest and Redemption Fund and used for the payment of debt service on the Notes.

Section 13. **SECURITY FOR FUNDS.** That all deposits authorized or required by this Ordinance shall be secured to the fullest extent required by law for the security of public funds.

Section 14. **DUTIES OF OFFICERS OF THE ISSUER.** (a) That the Mayor, the City Secretary, and each Authorized Representative is hereby instructed and directed to do any and all things necessary in reference to the maintenance of the Issuer and to make money available for the payment of the Notes in the manner provided by law.

(b) The City Secretary is authorized to execute the certificate to which this Ordinance is attached on behalf of the City. The Mayor, any Authorized Representative, the City Secretary and any Assistant City Secretary are authorized to do any and all things proper and necessary to carry out the intent of this Ordinance.

(c) The City Manager is hereby authorized to have control of the Notes and all necessary records and proceedings pertaining to the Notes pending their delivery to the Purchaser. The City Manager or the designee thereof is directed to submit for investigation, examination and approval by the Attorney General of the State of Texas the Notes and the proceedings authorizing their issuance, and to request the registration of the Notes and the proceedings authorizing their issuance by the Comptroller of Public Accounts of the State of Texas. The City Council hereby 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 Notes, in the amount determined in accordance with the provisions of Section 1202.004, Texas Government Code.

Section 15. FEDERAL TAX COVENANTS. That the Issuer covenants to comply with the provisions of the Code applicable to the issuance of tax-exempt obligations such as the Notes. The Issuer's covenant to comply with the Code shall include, without limitation, compliance with those provisions of the Code regarding the timing of expenditure of proceeds of the Notes, the restriction on investment yields, the filing of information returns with the Internal Revenue Service, and, if required by the Code, the rebate of excess arbitrage earnings to the United States. Further, the Issuer certifies that based upon all facts and estimates now known or reasonably expected to be in existence on the date the Notes are delivered and paid for, the Issuer expects that the proceeds of the Notes will not be used in a manner that would cause the Notes or any portion of the Notes to be an "arbitrage bond" within the meaning of section 148 of the Code, and the regulations prescribed thereunder. Furthermore, the Mayor and each Authorized Representative is authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the Issuer as of the date the Notes are delivered and paid for. In particular, the Mayor and each Authorized Representative is authorized to certify for the Issuer the facts and circumstances and reasonable expectations of the Issuer on the date the Notes are delivered and paid for regarding the amount and use of the proceeds of the Notes. Moreover, the Issuer covenants to make such use of the proceeds of the Notes, regulate investments of proceeds of the Notes, take such other and further actions and follow such procedures, including, without limitation the method of calculating yield on the Notes, as may be required so that the interest on the Notes shall continue to be excluded from gross income for federal income tax purposes under the Code. The Issuer further covenants that the proceeds of the Notes will not be used directly or indirectly so as to cause all or any part of the Notes to become a "private activity bond" within the meaning of section 141(a) of the Code. In complying with the provisions of this Section, the Issuer shall be entitled to rely upon an opinion of Bond Counsel.

In furtherance thereof, the Issuer covenants as follows:

(a) to take any action to assure that no more than ten percent of the proceeds of the Notes (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 ten percent of the proceeds are so used, that amounts, whether or not received by the Issuer, 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 ten percent of the debt service on the Notes, 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 five percent of the proceeds of the Notes (less amounts deposited into a reserve fund, if any), then the amount in excess of five 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 five percent of the proceeds of the Notes (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 Notes being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(e) to refrain from taking any action that would result in the Notes 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 Notes, 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 Notes, other than investment property acquired with --

(1) proceeds of the Notes invested for a reasonable temporary period until such proceeds are needed for the purpose for which the Notes 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 ten percent of the proceeds of the Notes;

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

(h) to refrain from using the proceeds of the Notes or the proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Notes 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 delivery date of the Notes) 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 Notes 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 Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of the issuance of the Notes. It is the understanding of the Issuer 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 Notes, the Issuer will not be required to comply with any covenant contained herein to the extent that compliance would conflict with or contradict

such modification or expansion and that compliance with such modification or expansion, in the opinion of Bond Counsel, will not adversely affect the exemption from federal income taxation of interest on the Notes 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 Notes, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of Bond Counsel, to preserve the exemption from federal income taxation of interest on the Notes under section 103 of the Code. In furtherance of the foregoing, each of the Mayor, the City Manager, any Assistant City Manager, and the Chief Financial Officer/Director of Financial Management Services of the City may execute any certificates or other reports required by the Code and to 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 Notes.

In order to facilitate compliance with the above clause (i), an account maintained by the City designated as the "Rebate Fund" may be 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 Notes. The Rebate Fund would be established for the additional purpose of compliance with section 148 of the Code.

The City finds, considers, and declares that the reimbursement of expenditures for the purposes described in Section 1 of this Ordinance incurred within 60 days of the date this Ordinance is passed, and thereafter, will be appropriate and consistent with the lawful objectives of the City and, as such, the City chooses to declare its intention, in accordance with the provisions of section 1.150-2 of the Treasury Regulations, to reimburse itself for such payments at such time as it issues public securities to finance improvements for the purposes described in the preamble to this Ordinance; provided, that all such costs to be reimbursed will be capital expenditures, and that any such public securities to be issued shall be issued within 18 months of the later of (i) the date the expenditures were paid or (ii) the date on which the property, with respect to which such expenditures were made, is placed in service; and the foregoing notwithstanding, the public securities will not be issued on a date that is more than three years after the date any expenditure which is to be reimbursed is paid.

Section 16. ALLOCATION OF, AND LIMITATION ON, EXPENDITURES FOR ELIGIBLE PROJECTS. That the City covenants to account for on its books and records the expenditure of proceeds from the sale of the Notes and any investment earnings thereon to be used for the Projects by allocating proceeds to expenditures within 18 months of the later of the date that (a) the expenditure on the Projects is made or (b) each item of each Project is acquired. The foregoing notwithstanding, the City shall not expend such proceeds or investment earnings more than 60 days after the later of (a) the fifth anniversary of the delivery date of the Notes or (b) the date the Notes are retired, unless the City obtains an opinion of Bond Counsel substantially to the effect that such expenditure will not adversely affect the tax-exempt status of the Notes. For purposes of this Section, the City shall not be obligated to comply with this covenant if it obtains an opinion of Bond Counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 17. DISPOSITION OF ELIGIBLE PROJECTS. That the City covenants that any item of the Projects 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 Bond Counsel substantially to the effect that such sale or other disposition will not adversely affect the tax-exempt status of the Notes. For purposes of this Section, 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. For purposes of this Section, the City shall not be obligated to comply with this covenant if it obtains an opinion of Bond Counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 18. **WRITTEN PROCEDURES.** That until superseded by another action of the City, the written procedures to ensure compliance with the covenants contained herein regarding private business use, remedial actions, arbitrage and rebate approved by the City on September 22, 2020, apply to the issuance of the Notes, and are incorporated by reference into this Ordinance.

Section 19. **CONTINUING DISCLOSURE UNDERTAKING.** That in reliance on the exemption to the provisions of the Rule, the City is not undertaking a continuing disclosure obligation under the Rule. The City agrees to provide the information to the Purchaser as provided in the Purchase Agreement for so long as the Notes are outstanding.

Section 20. **DEFEASANCE.** (a) **Deemed Paid.** That the principal of and/or interest on any Note shall be deemed to be paid, retired and no longer outstanding within the meaning of this Ordinance, except to the extent provided by subsection (d) of this Section, when payment of the principal of such Note, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with, or making available to, a paying agent (or escrow agent) therefor, in trust and irrevocably set aside exclusively for such payment, (1) money sufficient to make such payment, (2) Defeasance Obligations, certified by an independent public accounting firm of national reputation, to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to make such payment, or (3) any combination of (1) and (2) above, and when proper arrangements have been made by the City with each such paying agent for the payment of its services until after all of the Notes so defeased shall have become due and payable. At such time as a Note shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefit of this Ordinance or a lien on and pledge of the security granted in support of the payment of the Notes, and shall be entitled to payment solely from such money or Defeasance Obligations, and shall not be regarded as outstanding for any purposes other than payment, transfer, and exchange.

(b) **Investments.** Any escrow agreement or other instrument entered into by the City and a paying agent pursuant to which the money and/or Defeasance Obligations are being held by such paying agent for the payment of such Notes may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Obligations or the substitution of other Defeasance Obligations upon the satisfaction of the requirements specified in subsection (a)(i) or (ii). All income from all Defeasance Obligations in the hands of the paying agent pursuant to this Section which is not required for the payment of the Notes and interest thereon, with respect to which such money has been so deposited, shall be remitted to the City, or deposited as directed in writing by the City, and upon receipt of an opinion of Bond Counsel that such transfer is permitted under state law.

(c) **Federal Income Tax Consideration.** The City covenants that no deposit will be made or accepted under subsection (a)(ii) of this Section and no use made of any such deposit which would cause such Notes to be treated as arbitrage bonds within the meaning of section 148 of the Code.

(d) **Continuing Duty of Paying Agent/Registrar.** Until all Notes defeased under this Section of this Ordinance shall become due and payable, the Paying Agent/Registrar for such Notes

shall perform the services of Paying Agent/Registrar for such Notes the same as if they had not been defaulted, and the City shall make proper arrangements to provide and pay for such services.

Section 21. **DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED NOTES.**

(a) **Replacement Notes.** That in the event any outstanding Note is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new Note of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Note, in replacement for such Note in the manner hereinafter provided.

(b) **Application for Replacement Notes.** Application for replacement of damaged, mutilated, lost, stolen, or destroyed Notes shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Note, the registered owner applying for a replacement Note shall furnish to the Issuer and to the Paying Agent/Registrar such security or indemnity as may be reasonably required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Note, the registered owner shall furnish to the Issuer and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Note, as the case may be. In every case of damage or mutilation of a Note, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Note so damaged or mutilated.

(c) **No Default Occurred.** Notwithstanding the foregoing provisions of this Section 21, in the event any such Note shall have matured, and no default has occurred which is then continuing in the payment of the principal of or interest on such Note, the Issuer may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Note) instead of issuing a replacement Note, provided security or indemnity satisfactory to the City and the Paying Agent/Registrar is furnished.

(d) **Charge for Issuing Replacement Notes.** Prior to the issuance of any replacement Note, the Paying Agent/Registrar shall charge the registered owner of such Note with all legal, printing, and other expenses in connection therewith. Every replacement Note issued pursuant to the provisions of this Section 21 by virtue of the fact that any Note is lost, stolen, or destroyed shall constitute a Note of the Issuer whether the lost, stolen, or destroyed Note shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Notes duly issued under this Ordinance.

(e) **Authority for Issuing Replacement Notes.** In accordance with Subchapter D of Chapter 1201, this Section 21 of this Ordinance shall constitute authority for the issuance of any such replacement Note without necessity of further action by the Issuer or any other body or person, and the duty of the replacement of such Notes is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such replacement Notes in the form and manner and with the effect, as provided in Section 5(a) of this Ordinance for Notes issued in conversion and exchange of other Notes.

Section 22. **DTC REGISTRATION.** [INTENTIONALLY OMITTED]

Section 23. **EVENTS OF DEFAULT.** (a) **Events of Default Defined.** That each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Notes when the same 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 Notes, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any registered owner to the City.

(b) Remedies for Default.

(i) Upon the happening of any Event of Default, then and in every case, any registered owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, 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 as permitted by this Ordinance, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the registered owners hereunder or any combination of such remedies.

(ii) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all registered owners of Notes then outstanding.

(c) Remedies Not Exclusive.

(i) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Notes or now or hereafter existing at law or in equity; *provided, however*, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Notes shall not be available as a remedy under this Ordinance.

(ii) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(iii) By accepting the delivery of a Note authorized under this Ordinance, such registered owner agrees that the certifications required to effectuate 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, employees or members of the City or the City Council.

(iv) None of the members of the City 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.

(d) Waivers by Purchaser of the Notes. Notwithstanding anything in this Ordinance to the contrary, for so long as the Purchaser is the owner of 100% of the outstanding aggregate principal amount of the Notes, no consent or waiver, express or implied, by the Purchaser to or of any breach

or default by the City in the performance of any obligation under this Ordinance shall constitute a consent or waiver by the Purchaser to or of any other breach or default in the performance of the same or any other obligation by the City.

Section 24. **AMENDMENTS.** (a) **Amendments Approved by Majority of Noteholders.** That the holders of the Notes aggregating in principal amount a majority of the aggregate principal amount of then outstanding Notes shall have the right from time to time to approve any amendment to this Ordinance which may be deemed necessary or desirable by the City; provided, however, that without the consent of the holders of all of the Notes at the time outstanding, nothing herein contained shall permit or be construed to permit the amendment of the terms and conditions in this Ordinance or in the Notes so as to:

- (1) Make any change in the maturity of the outstanding Notes;
- (2) Reduce the rate of interest borne by any of the outstanding Notes;
- (3) Reduce the amount of the principal payable on the outstanding Notes;
- (4) Modify the terms of payment of principal or interest on the outstanding Notes or impose any conditions with respect to such payment;
- (5) Affect the rights of the holders of less than all of the Notes then outstanding; or
- (6) Change the minimum percentage of the principal amount of Notes necessary for consent to such amendment.

(b) **Publication of Notice.** That if at any time the City shall desire to amend the Ordinance under this Section, the City shall cause notice of the proposed amendment to be published in a financial newspaper or journal published in The City of New York, New York, once during each calendar week for at least two successive calendar weeks; *provided, however,* that the publication of such notice shall not constitute a condition precedent to the adoption of such amendatory ordinance and the failure to publish such notice shall not adversely affect the implementation of such amendment as adopted pursuant to such amendatory ordinance. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of the Paying Agent/Registrar for inspection by all holders of Notes. Such publication is not required, however, if notice in writing is given to each holder of Notes.

(c) **Consent to Amendment.** That whenever at any time not less than thirty days, and within one year, from the date of the first publication of said notice or other service of written notice the City shall receive an instrument or instruments executed by the holders of at least a majority in aggregate principal amount of all Notes then outstanding, which instrument or instruments shall refer to the proposed amendment described in said notice and which specifically consent to and approve such amendment in substantially the form of the copy thereof on file with the Paying Agent/Registrar, the City Council may pass the amendatory ordinance in substantially the same form.

(d) **Passage of Amendatory Ordinance.** That upon the passage of any amendatory ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be amended in accordance with such amendatory ordinance, and the respective rights, duties and obligations under this Ordinance of the City and all the holders of then outstanding Notes shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such amendments.

(e) **Consent Irrevocable.** That any consent given by the holder of a Note pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the first publication of the notice provided for in this Section, and shall be conclusive and binding upon all future holders of the same Note during such period. Such consent may be revoked at any time after six months from the date of the first publication of such notice by the holder who gave such consent, or by a successor in title, by filing notice thereof with the Paying Agent/Registrar therefor and the City, but such revocation shall not be effective if the holders of a majority in aggregate principal amount of the then outstanding Notes as in this Section defined have, prior to the attempted revocation, consented to and approved the amendment.

(f) **Determination of Ownership of Notes.** For the purposes of this Section, the ownership and other matters relating to all Notes registered as to ownership shall be determined from the registration books kept by the Paying Agent/Registrar therefor. The Paying Agent/Registrar may conclusively assume that such ownership continues until written notice to the contrary is served upon the Paying Agent/Registrar.

Section 25. **PROPERTY APPRAISALS.** That the City has satisfied or will satisfy the appraisal requirements of Section 252.051, Texas Local Government Code, in the acquisition of real property (including rights-of-way) with proceeds of the Notes.

Section 26. **MISCELLANEOUS PROVISIONS.** (a) **Preamble.** That the preamble to this Ordinance shall be considered an integral part of this Ordinance, and is herein incorporated as part of the body of this Ordinance for all purposes.

(b) **Immediate Effect.** This Ordinance shall be effective immediately from and after its passage in accordance with the provisions of Section 1201.028, Texas Government Code.

(c) **Open Meeting.** It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

(d) **Rules of Construction.** The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Ordinance as a whole and not to any particular Section or other subdivision. 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 its successors and assigns. References to an officer or designated position (e.g., City Manager) include any person acting in the capacity of such officer or designated position, whether on an acting, interim or permanent basis. References to any constitutional, statutory or regulatory provision mean such provision as it exists on the date this Ordinance is adopted by the City and any future amendments thereto or successor provisions thereof. Any reference to the FORM OF NOTE shall refer to the form attached to this Ordinance as Exhibit B. The titles and headings of the Sections and subsections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof.

(e) **Inconsistent Provisions.** All orders and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed and declared to be inapplicable, and the provisions of this Ordinance shall be and remain controlling as to the matters prescribed herein.

ADOPTED AND EFFECTIVE December 15, 2020.

Mayor
City of Fort Worth, Texas

City Secretary
City of Fort Worth, Texas

APPROVED AS TO FORM AND LEGALITY:

(SEAL)

City Attorney
City of Fort Worth, Texas

SCHEDULE I

DESCRIPTION OF PROJECTS

<u>Description</u>	<u>Cost (\$)</u>
A portion of the costs of acquisition, redesign, and renovation of real property and improvements described as the Pier One building for use as a new City Hall	73,860,000
Costs of issuance	140,000

To the extent any proceeds remain available following the above-described purposes, for costs of redesign and renovation of the existing City Hall (200 Texas Street, Fort Worth, Texas 76102) for use to serve municipal purposes, including, but not limited to, as station facilities for certain Police personnel.

EXHIBIT A

"Authentication Certificate" shall mean the certificate so designated in Section 5(c) of this Ordinance.

"Authorized Denomination" shall mean a denomination of \$5,000 or any integral multiple thereof.

"Authorized Representative" shall mean one or more of the following officers or employees of the City, acting in concert or individually, to-wit: the City Manager, any Assistant City Manager, the Chief Financial Officer/Director of Financial Management Services of the City, or such other officer or employee of the City designated in writing by the City Council to act as an Authorized Representative. By adoption of this Ordinance, the Chief Financial Officer/Director of Financial Management Services of the City, as an Authorized Representative, is designated a special Acting Assistant City Manager for the limited purposes of executing certificates, agreements, notices, instruction letters, requisitions, and other documents on behalf of the City in accordance with this Ordinance.

"Bond Counsel" shall mean McCall, Parkhurst & Horton L.L.P. and Kelly Hart & Hallman LLP, or such other attorney or firm of attorneys who are nationally recognized as having expertise in the practice of tax-exempt municipal finance law as approved by the City.

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

"Chapter 9" shall mean Chapter 9, Texas Business & Commerce Code.

"Chapter 1201" shall mean Chapter 1201, Texas Government Code.

"Chapter 1208" shall mean Chapter 1208, Texas Government Code.

"Chapter 1431" shall mean Chapter 1431, Texas Government Code.

"City" or "Issuer" shall mean the City of Fort Worth, Texas.

"City Council" shall mean the City Council of the Issuer, its governing body.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Default Rate" shall have the meaning given said term in Section 2 of this Ordinance.

"Defeasance Obligations" shall mean (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America and (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the City adopts or approves proceedings authorizing the issuance of refunding bonds or, if such defeasance is not in connection with the issuance of refunding bonds, on the date the City provides for the funding of an escrow to effect the defeasance of the Notes, are

rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent.

"Designated Trust Office" shall mean, on the date the Notes are delivered to the Purchaser, the Dallas, Texas corporate trust office of BOKF, NA.

"Determination of Taxability" shall have the meaning given said term in the FORM OF NOTE.

"Fiscal Year" shall mean the twelve-month period ending September 30, or any consecutive twelve-month period declared by the City to be its fiscal year.

"Initial Note" shall have the meaning given said term in Section 2 of this Ordinance.

"Interest and Redemption Fund" shall mean the "City of Fort Worth, Texas Tax Notes, Series 2021A Interest and Redemption Fund" established by this Ordinance.

"Notes" shall mean the "City of Fort Worth, Texas, Tax Notes, Series 2021A", issued in accordance with this Ordinance. The term "Notes" shall mean and include the Notes initially issued and delivered pursuant to this Ordinance and all substitute Notes exchanged therefor, as well as all other substitute Notes and replacement Notes issued pursuant to this Ordinance, and the term "Note" shall mean any of the Notes.

"Ordinance" shall mean this ordinance authorizing the issuance of the Notes.

"Paying Agent/Registrar" shall mean BOKF, NA, or its successor as designated in accordance with Section 5 of this Ordinance.

"Payment Date" shall mean each date interest or principal on the Notes shall be due and payable.

"Projects" shall have the meaning given said term in Section 1 of this Ordinance.

"Purchase Agreement" shall mean the Purchase Agreement between the City and the Purchaser, dated December 15, 2020.

"Purchaser" shall mean Key Government Finance, Inc.

"Registration Books" shall mean the books or records for the registration of the transfer and exchange of the Notes.

"Rule" shall mean SEC Rule 15c2-12, as amended from time to time.

"SEC" shall mean the United States Securities and Exchange Commission.

"Series 2021B Notes" shall have the meaning given said term in the preamble to this Ordinance.

"State" shall mean the State of Texas.

"Treasury Regulations" shall mean 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.

EXHIBIT B

FORM OF NOTE

NO. T-___

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF FORT WORTH, TEXAS
TAX NOTE, SERIES 2021A

Registered Owner:

Principal Amount: Seventy Four Million Dollars

Delivery Date: January 21, 2021

THE CITY OF FORT WORTH, TEXAS (the "Issuer") promises to pay to the Registered Owner named above, or the registered assigns thereof, the Principal Amount hereinabove stated on March 1 in each of the years and in principal installments in accordance with the following schedule:

<u>Years</u>	<u>Principal Installments (\$)</u>	<u>Interest Rates (%)</u>
2022	14,800,000	0.76
2023	14,800,000	0.76
2024	14,800,000	0.76
2025	14,800,000	0.76
2026*	14,800,000	0.76

*Final maturity

and to pay interest thereon, at the interest rate or rates specified above, from the delivery date specified above, on September 1, 2021 and semiannually on each March 1 and September 1 thereafter to the maturity date specified above, or to the date of redemption prior to maturity, at the interest rate per annum specified above. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

THE FOREGOING NOTWITHSTANDING, (a) if a payment default by the Issuer on this Notes occurs, the interest rate on the delinquent amount shall immediately begin to accrue at the rate of 3% in excess of the then applicable interest rate on this Note (the "Default Rate"); if such payment default is not cured within ninety (90) days of its occurrence, the interest rate on the entire outstanding principal amount of this Note shall begin to accrue interest at the Default Rate, and the Default Rate shall remain in effect until the payment default is cured by the Issuer, or (b) within 90 days following receipt by the Purchaser of written notice of (1) the issuance of a published or private ruling or a technical advice memorandum by the Internal Revenue Service in which the City has participated or has been given the opportunity to participate, and which ruling or memorandum the City, in its discretion, does not contest or from which no further right of judicial review or appeal exists, or (2) a determination from which no further right of appeal exists of any court of competent

jurisdiction in the United States in a proceeding in which the City has participated or has been a party, or has been given the opportunity to participate or be a party (either such event being a "Determination of Taxability") in either case, to the effect that the interest payable on this Note is included in the gross income of the holders thereof for federal income tax purposes, the interest rate on this Note shall be 0.96% (the "Taxable Rate"); provided, however, that no such Determination of Taxability shall be considered to exist unless (i) the registered owner or former registered owner of the Note involved in such proceeding or action (a) gives the City prompt notice of the commencement thereof and (b) (if the City agrees to pay all expenses in connection therewith) offers the City the opportunity to control unconditionally the defense thereof and (ii) either (a) the City does not agree within 30 days of receipt of such offer to pay such expenses and to control such defense or (b) the City shall exhaust or choose not to exhaust all available proceedings for the contest, review, appeal or rehearing of such decree, judgment or action which the City determines to be appropriate.

THE PRINCIPAL OF AND INTEREST ON this Note are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Note shall be paid to the registered owner hereof upon presentation and surrender of this Note at maturity at the designated corporate trust office in Dallas, Texas (the "Designated Trust Office") of BOKF, NA, which is the "Paying Agent/Registrar" for this Note. The payment of interest on this Note shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by wire transfer, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the Ordinance authorizing the issuance of this Note (the "Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and wire transfer shall be made by the Paying Agent/Registrar on each such interest payment date, to the registered owner hereof, at its address as it appeared on the fifteenth day of the month next preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. Any accrued interest due at maturity of this Note shall be paid to the registered owner upon presentation and surrender of this Note for payment at the Designated Trust Office of the Paying Agent/Registrar.

IN THE EVENT of a non-payment of interest on a scheduled payment date, and for 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 Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest ("Special Payment Date", which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each registered owner 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 or interest on this Note shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the City or the city where the Designated Trust 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.

THE ISSUER COVENANTS with the registered owner of this Note that on or before the principal and interest payment date for this Note it will make available to the Paying Agent/Registrar, from the "Interest and Redemption Fund" created by the Ordinance, the amounts

required to provide for the payment, in immediately available funds, of all principal of and interest on the Notes, when due.

THIS NOTE was authorized by the Ordinance to be issued in the aggregate principal amount of \$74,000,000. This Note is authorized pursuant to Chapter 1431, Texas Government Code ("Chapter 1431"), is dated January 21, 2021, and is issued for the purpose of PAYING CONTRACTUAL OBLIGATIONS INCURRED OR TO BE INCURRED FOR THE CONSTRUCTION OF PUBLIC WORKS AND THE PURCHASE OF MATERIALS, SUPPLIES, EQUIPMENT, MACHINERY, BUILDINGS, LANDS, AND RIGHTS-OF-WAY FOR THE ISSUER'S AUTHORIZED NEEDS AND PURPOSE, as more fully described in the Ordinance, and to pay costs of issuance. This Note is issued pursuant to the Ordinance passed and adopted by the City Council of the Issuer and duly recorded in the minutes of said City Council, as authorized by the Constitution and laws of the State of Texas, including Chapter 1431.

THIS NOTE is subject to redemption at the option of the Issuer prior to its scheduled maturities, in whole, or in part, on September 1, 2021, or on any date thereafter, at the redemption price of the principal amount of the Notes called for redemption, and without premium.

NOTICE OF any such redemption of Notes shall be given in the following manner, to-wit, a written notice of such redemption shall be given to the registered owner of each Note or a portion thereof being called for redemption not less than 30 days prior to the date fixed for such 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. Any notice so mailed shall be conclusively presumed to have been duly given notwithstanding whether one or more registered owners may have failed to have received such notice. By the date fixed for any such redemption due provision shall be made by the Issuer with the Paying Agent/Registrar for the payment of the required redemption price for this Note or the portion hereof which is to be so redeemed. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, this Note or the portion hereof which is to be so redeemed, thereby automatically shall be redeemed prior to its scheduled maturity, and shall not be regarded as being Outstanding except for the right of the registered owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. The Paying Agent/Registrar shall record in the Registration Books all such redemptions of principal amount of this Note or any portion hereof. If a portion of this Note shall be redeemed a substitute Note or Notes having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any Authorized Denomination (as defined in the Ordinance) 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 Issuer, all as provided in the Ordinance. The years of maturity of the Note called for such redemption shall be selected by the Issuer. This Note or portions thereof redeemed within a maturity shall be selected by lot or other customary random method selected by the Paying Agent/Registrar (provided that a portion of this Note may be redeemed only in an Authorized Denomination).

THE FOREGOING PARAGRAPH NOTWITHSTANDING, with respect to any optional redemption of this Note, 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 this Note 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 conditional notice of 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 this Note and the Paying Agent/Registrar will give notice in the manner in which the notice of redemption was given, to the effect that this Note will not be redeemed.

ALL NOTES OF THIS SERIES are issuable solely as fully registered Notes, without interest coupons, in the denomination of any Authorized Denomination. As provided in the Ordinance, this Note may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate principal amount of fully registered Notes, without interest coupons, payable to the appropriate registered owner, assignee or assignees, as the case may be, having the same denomination or denominations 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 Note to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, this Note must be presented and surrendered to the Paying Agent/Registrar, together with the proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Note or any portion or portions hereof in any Authorized Denomination to the assignee or assignees in whose name or names this Note or any such portion or portions hereof is or are to be registered. The Form of Assignment printed or endorsed on this Note 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 Note or any portion or portions hereof from time to time by the registered owner. In the case of the assignment, transfer, conversion or exchange of a Note or Notes or any portion or portions thereof, the reasonable standard or customary fees and charges of the Paying Agent/Registrar will be paid by the Issuer. 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, conversion or exchange, as a condition precedent to the exercise of such privilege.

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

IT IS HEREBY CERTIFIED AND REPRESENTED that this Note has been duly and validly authorized, issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the authorization, issuance and delivery of this Note have been performed, existed and been done in accordance with law; that this Note constitutes an obligation of said Issuer; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Note, as such interest comes due and such principal matures, have been and will be levied and ordered to be levied against all taxable property in said Issuer, and have been pledged from the Issuer's annual ad valorem tax for such payment, within the limits prescribed by law. Reference is made to the Ordinance for a more complete description of the Issuer's obligation to provide for the payment of the principal of and interest on the Notes. By acceptance of this Note, the registered owner expressly assents to all provisions of the Ordinance.

IN WITNESS WHEREOF, the Issuer has caused this Note to be signed with the manual or facsimile signature of the Mayor of the Issuer and countersigned with the manual or facsimile signature of the City Secretary, and approved as to form and legality by the manual or facsimile signature of the City Attorney, and has caused the official seal of the Issuer to be duly impressed, or placed in facsimile, on this Note.

City Secretary
City of Fort Worth, Texas

Mayor
City of Fort Worth, Texas

APPROVED AS TO FORM AND LEGALITY:

City Attorney
City of Fort Worth, 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 Note and all rights thereunder, and hereby irrevocably constitutes and appoints

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

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

It is hereby certified that this Note has been issued under the provisions of the Ordinance described in the text of this Note; that this Note has been duly authenticated; and that this Note has been issued in exchange for or replacement of a note, notes, or a portion of a note or notes of an issue, the proceedings pursuant to which such issue was authorized were approved by the Attorney General of the State of Texas.

Dated:

BOKF, NA,
Paying Agent/Registrar

By _____
Authorized Representative

FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE:
(only to accompany the Initial Note)

OFFICE OF COMPTROLLER :
STATE OF TEXAS : REGISTER NO. _____

I hereby certify that this Note has been examined, certified as to validity, and approved by the Attorney General of the State of Texas and that this Note has been registered by the Comptroller of Public Accounts of the State of Texas.

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

Comptroller of Public Accounts of the
State of Texas

(SEAL)

THE STATE OF TEXAS :
COUNTIES OF TARRANT, DENTON, WISE, PARKER AND JOHNSON :
CITY OF FORT WORTH :

I, Mary J. Kayser, City Secretary of the City of Fort Worth, in the State of Texas, do hereby certify that I have compared the attached and foregoing excerpt from the minutes of the regular, open, public meeting of the City Council of the City of Fort Worth, Texas held on December 15, 2020 and of the ordinance authorizing the issuance of City of Fort Worth, Texas Tax Notes, Series 2021A, which was duly passed at said meeting, and that said copy is a true and correct copy of said excerpt and the whole of said ordinance. Said meeting was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

In testimony whereof, I have set my hand and have hereunto affixed the seal of said City of Fort Worth, this ____ day of December, 2020.

City Secretary of the
City of Fort Worth, Texas

(SEAL)