

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE approving and authorizing the issuance by the City of Fort Worth, Texas of its General Purpose Commercial Paper Notes, Series ECP, in an aggregate principal amount at any one time outstanding not to exceed \$300,000,000 to provide interim financing to pay Project Costs for Projects and to refund obligations issued in connection with Projects; approving and authorizing certain authorized officers and employees to act on behalf of the City in the selling and delivery of such Commercial Paper Notes, within the limitations and procedures specified herein; making certain covenants and agreements in connection therewith; resolving other matters incident and related to the issuance, sale, security and delivery of such Commercial Paper Notes, including the appointment of an Issuing and Paying Agent, and a Dealer and approval of an Issuing and Paying Agent Agreement, and a Dealer Agreement; approving the use of an Offering Memorandum in connection with the sale from time to time of such Commercial Paper Notes; and providing an effective date.

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

WHEREAS, the City of Fort Worth, Texas (the “City” or the “Issuer”) is a home-rule municipality, acting as such under the Constitution and laws of the State of Texas, has a population in excess of 50,000, and has outstanding long-term indebtedness that is rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for long-term obligations; and

WHEREAS, capitalized terms used herein shall have the meanings given to them in Section 1.01 hereof; and

WHEREAS, (i) at an election held on May 5, 2018 (the “2018 Election”), the voters within the Issuer authorized the issuance of public securities in an amount not to exceed \$399,500,000 for the public purpose of designing, constructing and renovating street and pedestrian mobility improvements, public safety facilities for the fire and police departments, park and recreation facilities, library facilities and animal control facilities, including the acquisition of land and rights-of-way for such improvements and facilities, and (ii) at an election held on May 7, 2022 (the “2022 Election” and, together with the 2018 Election, the “Elections”), the voters within the Issuer authorized the issuance of public securities in an amount not to exceed \$560,000,000 for the public purpose of designing, constructing and renovating street and pedestrian mobility improvements, public safety facilities for the fire and police departments, park and recreation facilities, library facilities and public open space facilities, including the acquisition of land and rights-of-way for such improvements and facilities, and pursuant to the Elections, the Issuer is authorized to provide for the payment of principal of and interest on such public securities through the levy of an annual ad valorem tax, within the limits prescribed by law, on all taxable property within the Issuer; and

WHEREAS, from the 2018 Election, the City currently has \$83,165,000 in authorized but unissued public securities, and the City currently has not issued any public securities authorized at the 2022 Election; and

WHEREAS, the Issuer wishes to provide in this Ordinance for the issuance, from time to time, of its Commercial Paper Notes, with such Commercial Paper Notes to be issued in an aggregate principal amount Outstanding at any one time not exceeding the Authorized Amount to provide an interim variable rate financing program for Projects authorized at the Elections; and

WHEREAS, although the Issuer has the option to extend the maturity of a Commercial Paper Note, the Issuer intends, but is not obligated, to pay each Note on its Original Maturity Date from the proceeds of newly issued Commercial Paper Notes of the same series, from the proceeds of Refunding Bonds, or from other funds legally available to the Issuer for such purpose; and

WHEREAS, the Commercial Paper Notes shall be obligations of the Issuer issued in anticipation of receiving proceeds from Refunding Bonds that the Issuer may issue pursuant to a Refunding Ordinance to repay the Notes; and

WHEREAS, the Commercial Paper Notes authorized to be issued by this Ordinance shall be issued and delivered pursuant to Chapter 1331 and Chapter 1371, Texas Government Code, as amended, and other applicable laws; and

WHEREAS, the City Council hereby finds that the purposes for which it may issue Commercial Paper Notes hereunder constitute “eligible projects”, as contemplated by Chapter 1371, Texas Government Code, as amended, and constitute the type of projects authorized to be financed or refinanced by the General Purpose Bonds; and

WHEREAS, the meeting was open to the public and public notice of the time, place and purpose of said meeting was given pursuant to Chapter 551, Texas Government Code;

## ARTICLE I

### DEFINITIONS

**Section 1.01. Definitions.** Unless the context shall indicate a contrary meaning or intent, the terms below defined, for all purposes of this Ordinance or any ordinance amendatory or supplemental hereto, shall be construed, are used and are intended to have the following meanings, to-wit:

“Act” shall mean Chapters 1331 and 1371, Texas Government Code, as amended.

“Authorized Amount” shall mean the lesser of (i) \$300,000,000 and (ii) the amount of any remaining unissued General Purpose Bonds authorized for eligible projects under the Act; provided that such amount may be issued in one or more Series and provided, further, that the aggregate amount outstanding under this Ordinance at any one time among all Series may not exceed such Authorized Amount.

“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, or such other officer or employee of the City designated in writing by the City Manager, and approved by the City Council, to act as an Authorized Representative.

“Bond Counsel” shall mean an attorney or firm of attorneys which are nationally recognized as having expertise in the practice of tax-exempt municipal finance law, as approved by the City. McCall, Parkhurst & Horton L.L.P. and Kelly Hart & Hallman LLP have been selected by the City to serve as co-Bond Counsel with respect to the issuance of Commercial Paper Notes under this Ordinance.

“Business Day” shall mean any day (a) when banks are not authorized to be closed in the City and (b) when banks or the New York Stock Exchange are not authorized to be closed in New York, New York.

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

“City Council” shall mean the governing body of the City.

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

“Commercial Paper Note” shall mean a note issued pursuant to the provisions of this Ordinance, having the terms and characteristics specified in Section 2.03 hereof and in the form described in Section 2.05 hereof.

“Costs of Issuance” shall mean all reasonable costs incurred by the Issuer in connection with the issuance of a Series, including, but not limited to: (a) counsel fees related to the issuance of such Series; (b) financial advisor fees incurred in connection with the issuance of such Series; (c) rating agency fees; (d) the initial fees and expenses of the Dealer and the Issuing and Paying Agent; (e) accountant fees related to the issuance of such Series; (f) printing and publication costs; and (g) any other fee or cost incurred in connection with the issuance of such Series that constitutes an “issuance cost” within the meaning of the Code.

“Dealer” shall mean each entity so designated in the Dealer Agreement.

“Dealer Agreement” shall mean the agreement approved and authorized to be entered into by Section 3.05 hereof, as from time to time amended or supplemented.

“Designated Office” shall mean the designated trust office of the Issuing and Paying Agent where Commercial Paper Notes must be presented and delivered for receipt of payment of the principal amount thereof.

“DTC” shall mean The Depository Trust Company or any substitute securities depository appointed pursuant to this Ordinance, or any nominee thereof.

“DTC Participant” shall mean a member of, or the participant in, DTC that will act on behalf of a Holder.

“Eligible Investments” shall mean any or all of the authorized investments described in the Public Funds Investment Act of 1987, Chapter 2256, Texas Government Code, which the City may purchase and sell and in which it may invest its funds and funds under its control in accordance with the City’s investment policy approved from time to time by the City Council.

“EMMA” shall mean the Electronic Municipal Marketplace Access system maintained by the MSRB.

"Extended Maturity Date" shall mean, for each Commercial Paper Note, the date specified in the Extension Notice as the maturity date to which the maturity of such Commercial Paper Note is to be extended, which maturity date shall be a Business Day; provided, that an Extended Maturity Date shall not be established in violation of the provisions of Section 2.02.

"Extended Rate" shall mean the rate of interest per annum determined by the following formula: the greater of (SIFMA Index + *E*) or *F*.

The Extended Rate applicable to a Commercial Paper Note will be determined by the Issuing and Paying Agent as provided in Section 2.03. As used in the formula set forth above in this definition, the *E* and *F* variables shall be the fixed percentage rates, expressed in basis points and yields, respectively, determined based on the Prevailing Rating of S&P, if then rating the Commercial Paper Notes at the request of the City, as follows:

**Prevailing Rating**

<b><u>S&amp;P</u></b>	<b><u>E Variable</u></b>	<b><u>F Variable</u></b>
A-1+	250 bps	7.00%
A-1	350 bps	7.50%
A-2	550 bps	8.00%
Lower than A-2 (or rating withdrawn for credit reasons)	Max Rate	Max Rate

If the City obtains another rating on the Commercial Paper Notes from a credit rating agency, the Issuing and Paying Agent shall, upon written direction of the Authorized Representative, following consultation with the Authorized Representative and the Dealer, determine how the credit rating agency's rating categories shall be treated for the purpose of indicating an *E* or *F* variable. In no event shall the Extended Rate exceed the Maximum Interest Rate.

"Extension Notice" shall mean the notice provided to the Issuing and Paying Agent and the Dealer by an Authorized Representative to extend the Original Maturity Date of a Commercial Paper Note to an Extended Maturity Date, in substantially the form set forth in Exhibit C to this Ordinance.

“Federal Tax Certificate” shall mean a certificate executed by the City, acting through an Authorized Representative, setting forth reasonable expectations of the City relating to the issuance of Commercial Paper Notes and the expenditure of the proceeds thereof, in connection with the issuance of Commercial Paper Notes as obligations, the interest on which is exempt from federal income taxation under the Code.

“Fiscal Year” shall mean any consecutive twelve-month period declared by the City as its fiscal year, which currently runs from October 1 through September 30.

“Form 8038-G” shall mean the federal income tax form to be filed under the Code and applicable Treasury Regulations in connection with the issuance of Commercial Paper Notes as obligations, the interest on which is exempt from federal income taxation under the Code.

“General Purpose Bonds” shall mean the general obligation bonds, in an aggregate principal amount not to exceed \$643,165,000, authorized by the voters within the Issuer at the Elections, for the following public purposes in the Issuer: (i) street and pedestrian mobility improvements in the aggregate principal amount of \$423,450,080; (ii) public safety facilities for the fire and police departments in the aggregate principal amount of \$45,370,820; (iii) park and recreation facilities in the aggregate principal amount of \$141,975,600; (iv) library facilities in the aggregate principal amount of \$17,368,500; and (v) public open space facilities in the aggregate principal amount of \$15,000,000.

“Holder” or “Noteholder” shall mean any person, firm, association, or corporation who is in possession of any Note drawn, issued or endorsed to such person, firm, association or corporation or to the order of such person, firm, association or corporation or to bearer or in blank.

“Issuance Request” shall mean the instructions provided to the Issuing and Paying Agent by an Authorized Representative in the manner set forth in Section 3.02 hereof, and in substantially the form set forth in Exhibit B to the Issuing and Paying Agent Agreement.

“Issuing and Paying Agent”, “Paying Agent/Registrar” or “Registrar” shall mean the agent the appointment of which is confirmed pursuant to Section 2.03 hereof, or any successor to such agent.

“Issuing and Paying Agent Agreement” shall mean the agreement approved and authorized to be entered into by Section 3.04 hereof, as from time to time amended or supplemented.

“Master Note” shall mean the “Master Note” as defined in Section 2.05 hereof.

“Maximum Interest Rate” or “Max Rate” shall mean 10% per annum.

“Maximum Maturity Date” shall mean twenty (20) years following the date of passage of this Ordinance.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“Note” or “Notes” shall mean the evidences of indebtedness authorized to be issued and at any time Outstanding pursuant to this Ordinance and shall include Commercial Paper Notes (including the Master Note), and notes in such form or forms as shall be approved by the City Council in an ordinance amending this Ordinance.

“Note Date” shall have the meaning given said term in Section 2.03 hereof.

“Offering Memorandum” shall mean the Offering Memorandum relating to the Commercial Paper Notes, as periodically updated in accordance with Section 6.08 hereof.

“Original Interest Rate” shall mean, for each Commercial Paper Note, the rate of interest per annum borne by such Commercial Paper Note to its Original Maturity Date.

“Original Maturity Date” shall mean, for each Commercial Paper Note, the date specified in the Issuance Request as the original date of maturity of the Commercial Paper Note; provided that the limitations set forth in Section 2.02 hereof apply to establishing the Original Maturity Date of any Commercial Paper Note.

“Outstanding” shall mean, when used with respect to the Commercial Paper Notes, as of the date of determination, all Commercial Paper Notes theretofore delivered under this Ordinance, except:

(1) Commercial Paper Notes theretofore canceled and delivered to the City or delivered to the Issuing and Paying Agent for cancellation;

(2) Commercial Paper Notes deemed paid pursuant to the provisions of Chapter 1207, Texas Government Code; and

(3) Commercial Paper Notes upon transfer, or in exchange for or in lieu, of which other Commercial Paper Notes have been authenticated and delivered pursuant to this Ordinance;

provided, that in determining whether the Holders of the requisite principal amount of Outstanding Commercial Paper Notes have given any request, demand, authorization, direction, notice, consent, or waiver hereunder, any Commercial Paper Note owned by the City shall be deemed to be Outstanding as though it was owned by any other Holder.

“Prevailing Rating” shall mean, at the time of determination, the rating assigned to the Commercial Paper Notes by S&P, or any comparable future designation by S&P, as the case may be.

“Project Costs” shall mean all costs and expenses incurred in relation to the Projects and permitted by law to be paid with the proceeds of the Commercial Paper Notes, including without limitation, design, planning, engineering, and legal costs; acquisition costs of land, interests in land, right of way, and easements; construction costs; costs of machinery, equipment, and other capital assets incident and related to the operation, maintenance, and administration of the Projects; and Costs of Issuance.

“Projects” shall mean the design, construction and renovation of street and pedestrian mobility improvements, public safety facilities for the fire and police departments, park and recreation facilities, library facilities and public open space facilities, including the acquisition of land and rights-of-way for such improvements and facilities, all in accordance with and subject to the propositions approved at the Elections for such purposes which are listed or otherwise described in a Tax Certificate of the Issuer, as being financed in whole or in part with the proceeds of the Commercial Paper Notes.

“Rating Agency” shall mean S&P, if such entity is then providing a rating on the Commercial Paper Notes at the request of the City, or such other nationally recognized credit rating agency providing a rating on the Commercial Paper Notes at the request of the City.

“Rebate Fund” shall mean the fund so designated in Section 4.04 hereof.

“Refunding Bonds” shall mean refunding General Purpose Bonds of the Issuer authorized to be issued pursuant to a Refunding Ordinance to retire or defease Commercial Paper Notes.

“Refunding Ordinance” shall mean any ordinance adopted by the City Council from time to time, authorizing the issuance of the Refunding Bonds.

“Registration Books” shall have the meaning given said term in Section 2.03 hereof.

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

"S&P" shall mean S&P Global Ratings, a Standard & Poor's Financial Services LLC business., or, if such entity is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the City.

“SEC” shall mean the United States Securities and Exchange Commission.

“Series” shall mean a series of Notes issued pursuant to this Ordinance; the Outstanding Notes of each series of Notes, when aggregated with all Outstanding Notes of other series, may be in an aggregate amount up to the full Authorized Amount regardless of when or whether issued.

“Series ECP Note Construction Account” shall mean the account so designated in Section 2.11 hereof.

“Series ECP Note Payment Fund” shall mean the fund so designated in Section 2.09 hereof.

“SIFMA” shall mean the Securities Industry and Financial Markets Association.

“SIFMA Index” shall mean, as of any date, (i) the seven-day high grade market index of tax-exempt variable rate demand obligations, as most recently calculated by Bloomberg and published or made available by SIFMA or any person acting in cooperation with or under the sponsorship of SIFMA or (ii) if such index is not published, such other publicly available rate as the City (in consultation with the Dealer) shall deem most nearly equivalent thereto. Such index may be expressed as a percentage of (more or less than, or equal to, 100%) and/or a fixed spread to another index, and in no event shall the interest rate calculated on the basis of the SIFMA Index exceed the Maximum Interest Rate.

“Treasury Regulations” shall mean the regulations of the U.S. Department of the Treasury promulgated under the Code or, if applicable, the Internal Revenue Code of 1954.

**Section 1.02. Construction of Terms Utilized in this Ordinance.** If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders. For all purposes of this Ordinance, unless the context requires otherwise, all references to designated Sections and other subdivisions are to the Sections and other subdivisions of this Ordinance.

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. References to any named person means 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 means such provision as it exists on the date this Ordinance is adopted by the City and any future amendments thereto or successor provisions thereof. References to time in this Ordinance shall be to prevailing time in New York, New York.

## ARTICLE II

### AUTHORIZATION OF NOTES

**Section 2.01. General Authorization.** Pursuant to authority conferred by and in accordance with the provisions of the Constitution and laws of the State of Texas, particularly the Act, Notes are hereby authorized to be issued in an aggregate principal amount not to exceed the Authorized Amount at any one time Outstanding for the purpose of financing Projects and paying Project Costs and to refinance, renew, or refund the principal amount of Outstanding Notes, all in accordance with and subject to the terms, conditions, and limitations contained herein; provided that the maximum aggregate principal amount of Notes that may be issued under this Ordinance shall be reduced by the aggregate principal amount of all then Outstanding Notes. For purposes of this Section 2.01, any portion of Outstanding Notes to be paid from money on deposit with the Issuing and Paying Agent and from the available proceeds of Refunding Bonds or other obligations of the Issuer issued on the day of calculation shall not be considered Outstanding. The authority to issue Notes from time to time under the provisions of this Ordinance shall exist until the Program Expiration Date, regardless of whether at any time prior to the Program Expiration Date there are any Notes Outstanding.

(b) As determined by an Authorized Representative in accordance with Section 2.02 and in consultation with Bond Counsel in accordance with Section 4.03 hereof for each issuance of Notes, such Notes shall be issued as obligations, the interest on which is excludable from the gross income of the owners thereof for federal income tax purposes, pursuant to section 103 of the Code.

(c) In connection with the refinancing or refunding of Outstanding Notes through the issuance of Notes, such Notes shall qualify as “obligations,” as such term is defined in the Act at the time any such refinancing or refunding occurs. The Outstanding Notes to be refunded shall be selected by the City Council or as determined by an Authorized Representative.

**Section 2.02. Commercial Paper Notes.** Under and pursuant to the authority granted hereby and subject to the limitations contained herein, Commercial Paper Notes to be designated “**City of Fort Worth, Texas General Purpose Commercial Paper Notes, Series ECP**” are hereby authorized to be issued and sold and delivered from time to time in such principal amounts as determined by the City, acting through its Authorized Representatives, in denominations of \$100,000 or in integral multiples of \$1,000 in excess of \$100,000, numbered in ascending consecutive numerical order in the order of their issuance, and shall mature and become due and payable on such dates as an Authorized Representative shall determine at the time of sale; provided, however, that no Commercial Paper Note shall (i) mature after the Maximum Maturity Date or (ii) have a term, from the Note Date to its Original Maturity Date, of



less than one day or more than 90 days or (iii) have a term from the Note Date to its Extended Maturity Date in excess of 270 calendar days.

**Section 2.03. Terms Applicable to Notes - General.** Subject to the limitations contained herein, Commercial Paper Notes herein authorized shall be dated as of their date of issuance (the “Note Date”), as determined by the City, acting through its Authorized Representatives; shall bear interest at such rate or rates of interest per annum computed on the basis of actual days elapsed and a 365-day or 366-day year, as applicable (but in no event in any case to exceed the Maximum Interest Rate) as may be determined by the City, acting through its Authorized Representatives, and all Commercial Paper Notes authorized herein shall mature on or prior to the Maximum Maturity Date.

Each Commercial Paper Note shall bear interest from the Note Date until the Original Maturity Date at the Original Rate. Interest, if any, on Commercial Paper Notes shall be payable on any Original Maturity Date. The foregoing notwithstanding, on any Original Maturity Date, if the Authorized Representative exercises the option to extend the Original Maturity Date to an Extended Maturity Date, the Commercial Paper Notes will bear interest from the Original Maturity Date to the Extended Maturity Date at the Extended Rate. If the Authorized Representative exercises the option in accordance with this Ordinance to extend the Original Maturity Date of any Commercial Paper Note to an Extended Maturity Date, the accrued but unpaid interest on the Commercial Paper Note, but not the principal of the Commercial Paper Note, shall be paid on its Original Maturity Date. The Extended Rate will be determined by the Issuing and Paying Agent based on the Prevailing Ratings available as of 11:00 a.m. on the Original Maturity Date and on each Thursday thereafter until the Extended Maturity Date or the date fixed for redemption of such Commercial Paper Notes and will apply from that Thursday through the following Wednesday, the Extended Maturity Date, or the date fixed for redemption of such Commercial Paper Notes, as the case may be. If the Original Maturity Date is before the 15th day of the month, interest shall be payable on the first Business Day of the next month and on the first Business Day of each month thereafter and on the Extended Maturity Date for this Commercial Paper Note or the date fixed for redemption of such Commercial Paper Notes, as the case may be. If the Original Maturity Date is on or after the 15th day of the month, interest shall be payable on the first Business Day of the second succeeding month and on the first Business Day of each month thereafter, and on the Extended Maturity Date for this Commercial Paper Note or the date fixed for redemption of such Commercial Paper Notes, as the case may be.

Commercial Paper Notes may be payable to bearer or may be issued in registered form, without coupons, or may be issued in book-entry-only form pursuant to this Section 2.03 as determined by the City, acting through its Authorized Representatives. Both principal of and interest on the Commercial Paper Notes shall be payable in lawful money of the United States of America, without exchange or collection charges to the Holder thereof in the manner provided in the Form of Commercial Paper Notes set forth in **Exhibit A** hereof.

Commercial Paper Notes issued hereunder may contain terms and provisions for the payment, redemption or prepayment thereof prior to maturity, subject to any applicable limitations contained herein, as provided herein (including, without limitation, Section 2.04 hereof) or otherwise as shall be determined by an Authorized Representative; provided, however, that the Commercial Paper Notes shall not be subject to redemption prior to their Original Maturity Date.

Subject to applicable terms, limitations, and procedures contained herein, the Commercial Paper Notes may be sold in such manner at public or private sale and at par or at such discount or premium (within the interest rate and yield restrictions provided herein) as an Authorized Representative shall approve at the time of the sale thereof.

The selection and appointment of U.S. Bank Trust Company, National Association, New York, New York, to serve as Issuing and Paying Agent, Paying Agent/Registrar and Registrar for the Commercial Paper Notes is hereby confirmed and the City covenants and agrees to keep and maintain with the Registrar at its Designated Office books and records (the "Registration Books") for the registration, payment, transfer and exchange of the Commercial Paper Notes, all as provided herein and in such reasonable rules and regulations as the Registrar may prescribe. The City covenants to maintain and provide a Registrar at all times while the Commercial Paper Notes are Outstanding, which shall be a national or state banking association or corporation or trust company organized and doing business under the laws of the United States of America or of any state and authorized under such laws to exercise trust powers. Should a change in the Paying Agent/Registrar for the Commercial Paper Notes occur, the City agrees to promptly cause a written notice thereof to be sent to each registered owner of the Commercial Paper Notes then Outstanding by United States mail, first-class postage prepaid. Such notice shall give the address of the successor Paying Agent/Registrar. A successor Paying Agent/Registrar may be appointed by the City without the consent of the Holders.

A copy of the Registration Books and any change thereto shall be provided to the City by the Paying Agent/Registrar, by means of telecommunications equipment or such other means as may be mutually agreeable thereto, within two (2) Business Days of the opening of such Registration Books or any change therein, as the case may be.

The City and the Paying Agent/Registrar may treat the bearer (in the case of Commercial Paper Notes so registered) or the registered payee thereof as the absolute owner of any Commercial Paper Note for the purpose of receiving payment thereof and for all purposes, and the City and the Paying Agent/Registrar shall not be affected by any notice or knowledge to the contrary.

The City intends for the Commercial Paper Notes to be issued in accordance with the book-entry-only system of Commercial Paper Note registration with DTC. Authorized Representatives, acting for and on behalf of the City, are hereby authorized to approve, execute, and deliver a Commercial Paper Notes Letter of Representations to DTC and to enter into such other agreements and execute such instruments as are necessary to implement such book-entry-only system, such approval to be conclusively evidenced by the execution thereof by an Authorized Representative. Except as provided herein, the ownership of the Commercial Paper Notes shall be registered in the name of Cede & Co., as nominee of DTC, which will serve as the initial securities depository for the Commercial Paper Notes. Ownership of beneficial interests in the Commercial Paper Notes shall be shown by book-entry on the system maintained and operated by DTC and DTC Participants, and transfers of ownership of beneficial interests shall be made only by DTC and the DTC Participants by book-entry, and the City and the Issuing and Paying Agent shall have no responsibility therefor. DTC will be required to maintain records of the positions of the DTC Participants in the Commercial Paper Notes, and the DTC Participants and persons acting through the DTC Participants will be required to maintain records of the

purchasers of beneficial interests in the Commercial Paper Notes. During any period when a book-entry-only system is in effect, except as provided above in this paragraph, the Commercial Paper Notes shall not be transferable or exchangeable, except for transfer to another securities depository or to another nominee of a securities depository.

With respect to Commercial Paper Notes registered in the name of DTC or its nominee, neither the City nor the Issuing and Paying Agent shall have any responsibility or obligation to any DTC Participant or to any person on whose behalf a DTC Participant holds an interest in the Commercial Paper Notes. Without limiting the immediately preceding sentence, neither the City nor the Issuing and Paying Agent shall have any responsibility or obligation with respect to (i) the accuracy of the records of DTC or any DTC Participant with respect to any ownership interest in the Commercial Paper Notes, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of the Commercial Paper Notes, as shown on the Registration Books, of any notice with respect to the Commercial Paper Notes, including any notice of redemption, and (iii) the payment to any DTC Participant or any other person, other than a registered owner of the Commercial Paper Notes, as shown in the Registration Books, of any amount with respect to principal of or interest on the Commercial Paper Notes.

Whenever, during the term of the Commercial Paper Notes, the beneficial ownership thereof is determined by a book entry at DTC, the requirements in this Ordinance of holding, registering, delivering, exchanging, or transferring the Commercial Paper Notes shall be deemed modified to require the appropriate person or entity to meet the requirements of DTC as to holding, registering, delivering, exchanging, or transferring the book-entry to produce the same effect.

Whenever the beneficial ownership of the Commercial Paper Notes is determined by a book-entry at DTC, delivery of Commercial Paper Notes for payment at maturity shall be made pursuant to DTC's payment procedures as are in effect from time to time and the DTC Participants shall transmit payment to beneficial owners whose Commercial Paper Notes have matured. The City and each of the Issuing and Paying Agent and the Dealer are not responsible for transfer of payment to the DTC Participants or beneficial owners.

The City or DTC may determine to discontinue the book-entry-only system and in such case, unless a new book-entry-only system is put in place, physical certificates in the form set forth in **Exhibit A** shall be provided to the beneficial owners thereof.

If at any time, DTC ceases to hold the Commercial Paper Notes, all references herein to DTC shall be of no further force or effect.

**Section 2.04. Extension.** (a) *Notice of Extension.* To exercise the option to extend the Original Maturity Date of a Commercial Paper Note to an Extended Maturity Date, the Authorized Representative, acting for and on behalf of the City, shall deliver to the Issuing and Paying Agent and the Dealer an Extension Notice by no later than 11:30 a.m. on the Original Maturity Date. The Issuing and Paying Agent shall correspondingly notify (i) by no later than 12:00 noon on the Original Maturity Date, DTC and (ii) by no later than 5:00 p.m. on the Original Maturity Date, both (A) any Rating Agency then maintaining a rating on the Commercial Paper Notes and (B) EMMA that the maturity of such Commercial Paper Note has been extended to the Extended Maturity Date set forth in an Extension Notice. Even if the

requisite notices are not given, if payment of the principal of a Commercial Paper Note does not occur on the Original Maturity Date, the maturity of the Commercial Paper Note shall be extended automatically to the Extended Maturity Date set forth in the Extension Notice. With the consent of the Issuing and Paying Agent and the Dealer, the Authorized Representative may modify the notification provisions contained in this Section 2.04(a) if deemed appropriate to conform to DTC's rules and procedures.

(b) *No Redemption Prior to Original Maturity Date.* The Commercial Paper Notes shall not be subject to redemption prior to their Original Maturity Date.

(c) *Redemption following Extension of Original Maturity Date.* In the event the City, acting through an Authorized Representative, exercises its option to extend the maturity of any Commercial Paper Note from its Original Maturity Date to an Extended Maturity Date, that Commercial Paper Note may be redeemed on any date after its Original Maturity Date, at the option of the City, at a redemption price equal to par (100%), plus accrued and unpaid interest to the redemption date. To exercise its redemption option, an Authorized Representative shall provide not less than five (5) nor more than twenty five (25) calendar days' notice to the Issuing and Paying Agent. The Issuing and Paying Agent will notify DTC of the Commercial Paper Notes to be redeemed within one Business Day of receipt of such notice.

(d) *No Default.* In no event shall an extension of the Original Maturity Date constitute a default or a breach of any covenant under this Ordinance.

**Section 2.05. Form of Commercial Paper Notes.** The Commercial Paper Notes and the Certificate of Authentication to appear on each of the Commercial Paper Notes shall be substantially in the form set forth in **Exhibit A** to this Ordinance, with such appropriate insertions, omissions, substitutions and other variations as are permitted or required by this Ordinance and may have such letters, numbers or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements thereon as may, consistently herewith, be approved by an Authorized Representative. Any portion of the text of any Commercial Paper Notes may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Commercial Paper Notes. The Commercial Paper Notes shall be printed, lithographed, or engraved or produced in any other similar manner, or typewritten, all as determined and approved by an Authorized Representative.

If Commercial Paper Notes are issued in book-entry-only form pursuant to Section 2.03, (i) no physical Commercial Paper Note certificates will be delivered to DTC and (ii) the City will execute and deliver to the Issuing and Paying Agent, as custodian for DTC, a master note relating to the Commercial Paper Notes (the "Master Note") in substantially the form set forth in **Exhibit B**. The form of Commercial Paper Note as prescribed in **Exhibit A** shall be attached to the Master Note, and it is hereby declared that the provisions of the Commercial Paper Note as prescribed in **Exhibit A** shall be incorporated into and shall be a part of the Master Note for all purposes of this Ordinance. It is further provided that this Ordinance and the form of Commercial Paper Note prescribed in **Exhibit A** shall constitute the "underlying records" referred to in the Master Note. Notwithstanding the provisions of Section 2.06, the Master Note shall be executed on behalf of the City by the manual signature of the City Manager.

**Section 2.06. Execution - Authentication.** The Notes (other than the Master Note) shall be executed on behalf of the City by the Mayor, attested by the City Secretary under its seal reproduced or impressed thereon, and approved as to form by the City Attorney, all as provided in **Exhibit A**. The signatures of said officers on the Commercial Paper Notes may be manual or facsimile. Commercial Paper Notes bearing the manual or facsimile signatures of individuals who are or were the proper officers of the City on the date of passage of this Ordinance shall be deemed to be duly executed on behalf of the City, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of the initial sale and delivery of Commercial Paper Notes authorized to be issued hereunder or at the time Commercial Paper Notes are delivered in subsequent sales, exchanges and transfers, all as authorized and provided in Chapter 1201, Texas Government Code.

No Commercial Paper Note shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Commercial Paper Note a certificate of authentication executed by the Paying Agent/Registrar by manual signature, or, in the case of the Master Note, the Paying Agent/Registrar has executed the Master Note, and the execution of any Commercial Paper Note by the Paying Agent/Registrar shall be conclusive evidence, and the only evidence, that such Commercial Paper Note has been duly certified or registered and delivered.

**Section 2.07. Notes Mutilated, Lost, Destroyed or Stolen.** If any Note shall become mutilated, the City, at the expense of the Holder of said Note, shall execute and deliver a new Note of like tenor and number in exchange and substitution for the Note so mutilated, but only upon surrender to the City of the Note so mutilated. If any Note shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the City and, if such evidence be satisfactory to it and indemnity satisfactory to it shall be given, the City, at the expense of the Holder, shall execute and deliver a new Note of like tenor in lieu of and in substitution for the Note so lost, destroyed or stolen. Neither the City nor the Paying Agent/Registrar shall be required to treat both the original Note and any duplicate Note as being Outstanding for the purpose of determining the principal amount of Notes which may be issued hereunder, but both the original and the duplicate Note shall be treated as one and the same.

**Section 2.08. Negotiability, Registration and Exchangeability.** The Notes issued hereunder shall be and shall have all of the qualities and incidents of, a negotiable instrument under the laws of the State of Texas, and each successive Holder, in accepting any of the obligations, shall be conclusively deemed to have agreed that such obligations shall be and have all of the qualities and incidents of a negotiable instrument under the laws of the State of Texas.

The Registration Books relating to the registration, payment and transfer or exchange of the Commercial Paper Notes shall at all times be kept and maintained by the City at the Designated Office of the Registrar, and the Registrar shall obtain, record and maintain in the Registration Books the name and address of each registered owner of the Commercial Paper Notes, except for Commercial Paper Notes registered to bearer, issued under and pursuant to the provisions of this Ordinance, and the Registrar further shall provide such information to the City as described in Section 2.03 hereof. Any Commercial Paper Note may, in accordance with its

terms and the terms hereof, be transferred or exchanged for Commercial Paper Notes of like tenor and character and of other authorized denominations upon the Registration Books by the Holder in person or by his duly authorized agent, upon surrender of such Commercial Paper Note to the Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Registrar.

Upon surrender for transfer of any Commercial Paper Note at the Designated Office of the Registrar, the Registrar shall register and deliver, in the name of the designated transferee or transferees (or to bearer, as appropriate), one or more new Commercial Paper Notes executed on behalf of, and furnished by, the City of like tenor and character and of authorized denominations and having the same maturity, bearing interest at the same rate or rates and of a like aggregate principal amount as the Commercial Paper Note or Commercial Paper Notes surrendered for transfer.

Furthermore, Commercial Paper Notes may be exchanged for other Commercial Paper Notes of like tenor and character and of authorized denominations and having the same maturity, bearing the same rate or rates of interest and of like aggregate principal amount as the Commercial Paper Notes surrendered for exchange, upon surrender of the Commercial Paper Notes to be exchanged at the Designated Office of the Registrar. Whenever any Commercial Paper Notes are so surrendered for exchange, the Registrar shall register and deliver new Commercial Paper Notes of like tenor and character as the Commercial Paper Notes exchanged, executed on behalf of, and furnished by, the City to the Holder requesting the exchange.

The City and the Registrar may charge the Noteholder a sum sufficient to reimburse them for any expenses incurred in making any exchange or transfer after the first such exchange or transfer. The Registrar or the City may also require payment from the Holder of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto. Such charges and expenses shall be paid before any such new Commercial Paper Note shall be delivered.

New Commercial Paper Notes delivered upon any transfer or exchange shall be valid obligations of the City, evidencing the same debt as the Commercial Paper Notes surrendered, shall be secured by this Ordinance and shall be entitled to all of the security and benefits hereof to the same extent as the Commercial Paper Notes surrendered.

The City reserves the right to change the above registration and transferability provisions of the Commercial Paper Notes at any time on or prior to the delivery thereof in order to comply with applicable laws and regulations of the United States in effect at the time of issuance thereof.

**Section 2.09. Series ECP Note Payment Fund.** Upon the first issuance of Commercial Paper Notes, the City shall create and establish with the Issuing and Paying Agent a separate and special fund designated as the “**City of Fort Worth, Texas General Purpose Series ECP Note Payment Interest and Sinking Fund**” (the “Series ECP Note Payment Fund”). Moneys on deposit in the Series ECP Note Payment Fund shall be used to pay principal of and interest on Commercial Paper Notes at the respective interest payment, redemption and maturity dates of each issue thereof as provided herein. Amounts remaining in the Series ECP Note Payment Fund not then necessary for the purposes thereof may be transferred to the Series ECP Note Construction Account (created pursuant to Section 2.11 hereof) upon request of an Authorized Representative.

Pending the expenditure of moneys in the Series ECP Note Payment Fund for authorized purposes, moneys deposited therein may be invested in Eligible Investments at the direction of the Chief Financial Officer/Director of Financial Management Services of the City or the designee thereof.

**Section 2.10. Security and Pledge; Payments; Tax Levy.** (a) During any year while the Notes (including both principal and interest) are Outstanding or unpaid, the City Council shall compute and ascertain a rate and amount of ad valorem taxes which will be sufficient to raise and produce the money required to provide for the payment of the interest thereon as such interest comes due and to provide and maintain a sinking fund adequate to pay the principal thereon as such principal matures (but never less than 2% of the Issuer's outstanding indebtedness, including the principal amount of the Notes then Outstanding at the time of such tax levy); and such 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. Such rate and amount of ad valorem taxes are hereby levied, and are hereby ordered to be levied, within the limits prescribed by law, against all taxable property in the Issuer for each year while any of the Notes or interest thereon are Outstanding; such tax shall be assessed and collected in each such year; and the proceeds of such tax shall be appropriated and applied to the payment of the interest on and principal of the Notes as and when due.

(b) There is hereby allocated, from lawfully available funds of the Issuer, amounts sufficient to pay interest on the Notes reasonably anticipated to be issued and payable prior to the collection of the first tax levy for the Notes based upon interest rates actually authorized and/or the maximum amount of interest payable on the Notes projected to come due prior to the collection of taxes.

(c) In determining the amount of taxes to be levied and the amount of other funds to be allocated to the payment of the principal of and interest on the Notes from and after the first tax levy, the Issuer may take into account any other sources of funding that are lawfully available or are to be lawfully available for payment of such principal of and interest on the Notes and may take into account any legal limitation regarding the maximum rate or amount of interest that may be payable on the Notes from time to time.

(d) The payment of the principal of and interest on the Notes are and shall be secured by and payable from a lien on and pledge of the following, subject to the provisions of this Ordinance permitting the application thereof for the purposes and on the terms and conditions set forth herein: (i) the proceeds from the sale of Notes to refinance the principal amount of maturing Notes (i.e., "roll"), (ii) the proceeds of Refunding Bonds to be issued by the Issuer to pay the principal of and interest on Notes, (iii) the proceeds of the tax levy set forth in this Section 2.10, and (iv) all amounts in the funds and accounts created or maintained pursuant to this Ordinance and the Issuing and Paying Agent Agreement (except the Rebate Fund), including earnings on such amounts, and such amounts constitute funds held for that purpose, subject only to the provisions of this Ordinance and the Issuing and Paying Agent Agreement permitting the application thereof for the purposes and on the terms and conditions set forth herein and therein. The pledge herein made shall be irrevocable until all of the Notes have been paid and retired. The granting of this pledge by the Issuer does not limit in any manner the rights of the Issuer to issue any additional debt or incur any other obligations. The Notes are not secured by or payable from a mortgage or deed of trust on any properties, whether real, personal, or mixed, nor from any source other than as specified in this Ordinance.

(e) The Issuer covenants to pay the principal of, premium, if any, and the interest on the Notes when due, whether by reason of maturity or redemption.

(f) Chapter 1208, Texas Government Code, applies to the issuance of the Notes and the pledge of the proceeds of the sale of Notes or Refunding Bonds under this section and the pledge of taxes under this Section 2.10, and such pledge is therefore valid, effective, and perfected. If State law is amended at any time while the Notes are outstanding such that the pledge granted by the Issuer under this section is to be subject to the filing requirements of Chapter 9, Texas Business and Commerce Code, then in order to preserve to the Holders 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 State law to comply with the applicable provisions of Chapter 9, Texas Business and Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

**Section 2.11. Series ECP Note Construction Account.** Upon the first issuance of Commercial Paper Notes, the City shall create and establish on the records of the City a separate account designated as the “**City of Fort Worth, Texas General Purpose Series ECP Note Construction Account**” (the “Series ECP Note Construction Account”). Moneys deposited in the Series ECP Note Construction Account shall remain therein until from time to time expended to pay for Project Costs, and to refund Notes issued in connection with Projects and shall not be used for any other purposes whatsoever, except as otherwise provided below, and pending such expenditure, moneys in said Account may be invested at the direction of the Chief Financial Officer/Director of Financial Management Services of the City or the designee thereof in Eligible Investments.

Any amounts on deposit in the Series ECP Note Construction Account designated by an Authorized Representative as eligible to pay interest during construction and thereafter may be transferred from time to time at the direction of an Authorized Representative to the credit of the Series ECP Note Payment Fund for use in accordance with the terms of Section 2.09 hereof. Any amounts remaining in the Series ECP Note Construction Account after the payment of all Project Costs shall be paid into the Series ECP Note Payment Fund and used for the payment of such maturities of the Commercial Paper Notes coming due at such times as may be selected by an Authorized Representative.

**Section 2.12. Cancellation.** All Commercial Paper Notes which at maturity or redemption are surrendered to the Paying Agent/Registrar for the collection of the principal and interest thereof or are surrendered for transfer or exchange pursuant to the provisions hereof shall, upon payment or issuance of new Commercial Paper Notes, be cancelled by the Paying Agent/Registrar, and the Paying Agent/Registrar forthwith shall transmit to the City a certificate identifying such Commercial Paper Notes and that such Commercial Paper Notes have been duly cancelled and destroyed.

**Section 2.13. Fiscal and Other Agents.** In furtherance of the purposes of this Ordinance, the City may from time to time appoint and provide for the payment of such additional fiscal, paying or other agents or trustees as it may deem necessary or appropriate in connection with the Notes.

**Section 2.14. Funds Secured.** Moneys in all funds and accounts created or maintained pursuant to this Ordinance or the Issuing and Paying Agent Agreement, to the extent not invested



as permitted hereunder, shall be secured in the manner prescribed by law for securing funds of the City.

**Section 2.15. Liquidity.** The City reserves the option, but is not required, to provide liquidity in support of all or any of the Commercial Paper Notes to be Outstanding under this Ordinance from its available funds, in amounts as further provided in Sections 4.02(b) and 4.03 of this Ordinance. The City reserves the option, but is not required, to enter into one or more liquidity or credit agreements to provide liquidity or credit in such amounts as determined by the City in support of all or any of the Commercial Paper Notes to be Outstanding under this Ordinance, and to execute all necessary instruments in connection therewith. The City agrees to provide written notice to the Dealer, the Issuing and Paying Agent and any Rating Agency then maintaining a rating on the Commercial Paper Notes, at least thirty (30) days prior to the date on which the City provides liquidity in support of the Commercial Paper Notes, and, in the case of liquidity or credit to be provided in accordance with the terms of a liquidity and/or credit agreement, a copy of the proposed form of such agreement.

### **ARTICLE III**

#### **ISSUANCE AND SALE OF NOTES**

**Section 3.01. Issuance and Sale of Commercial Paper Notes.** All Commercial Paper Notes shall be issued as “obligations” under the Act. All Commercial Paper Notes shall be sold in the manner determined by the City, acting through its Authorized Representatives, to be most economically advantageous to the City.

The Commercial Paper Notes shall be completed and delivered by the Issuing and Paying Agent in accordance with an Issuance Request executed by the City, acting through its Authorized Representatives, and delivered to the Issuing and Paying Agent. The Issuance Request shall be prepared in the manner specified below and in the Issuing and Paying Agent Agreement. To the extent such instructions are not written, they shall be confirmed in writing by the City, acting through its Authorized Representatives, within twenty-four (24) hours. Said instructions shall specify such principal amounts, Note Dates, Original Interest Rates, Original Maturity Dates, and other terms and conditions which are hereby authorized and permitted to be fixed by the Authorized Representative at the time of sale of the Commercial Paper Notes. Such instructions shall include the purchase price of the Commercial Paper Notes, and a request that the Issuing and Paying Agent authenticate such Commercial Paper Notes by counter signature of its authorized officer or employee and deliver them to the named purchaser or purchasers thereof upon receipt of payment in accordance with the custom then prevailing in the New York financial market in regard to such Commercial Paper Notes. The rules of the New York Clearinghouse shall apply thereto. Such instructions shall also contain provisions representing that all action on the part of the City necessary for the valid issuance of the Commercial Paper Notes then to be issued has been taken, that all provisions of Texas and federal law necessary for the valid issuance of such Commercial Paper Notes with provision for interest exemption from federal income taxation have been complied with, if applicable, and that such Commercial Paper Notes in the hands of the Holders thereof will be valid and enforceable obligations of the City according to their terms, subject to the exercise of judicial discretion in accordance with general principles of equity and bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted to the extent constitutionally applicable and that, if applicable, based upon the advice of Bond Counsel, the interest on the

Commercial Paper Notes is exempt from federal income taxation. The Issuance Request also shall certify that:

- (i) no Event of Default under Section 5.01 hereof has occurred and is continuing as of the date of such Issuance Request;
- (ii) the City has been advised by Bond Counsel that the projects to be financed with the proceeds of the Commercial Paper Notes will constitute Projects or that the obligations to be refunded were issued in connection with Projects;
- (iii) the City is in compliance with the covenants set forth in **Article IV** hereof as of the date of such Issuance Request; and
- (iv) the City has been advised by Bond Counsel that the proposed expenditure of the proceeds of such Commercial Paper Notes for such projects and refunding will not cause the City to be in violation of its covenants set forth in Section 4.04 hereof.

For purposes of this Ordinance, such instructions described above shall constitute an Issuance Request.

**Section 3.02.** Issuance Requests and Extension Notices. Upon receipt of an Issuance Request, the Issuing and Paying Agent shall, by 3:00 p.m. on such day the Issuance Request is received, complete each Commercial Paper Note as to amount, Note Date, Original Maturity Date and Original Rate specified therein, and deliver each such Commercial Paper Note to or upon the order of the Dealer upon receipt of payment therefor; provided, however, that no such Commercial Paper Notes shall be delivered by the Issuing and Paying Agent if such delivery would cause the sum of the aggregate principal amount of Commercial Paper Notes Outstanding to exceed the limitation set forth in Section 4.01 of this Ordinance. If an Issuance Request is received after 12:00 noon on a given day, the Issuing and Paying Agent shall not be obligated to deliver the requested Commercial Paper Notes until the next succeeding Business Day.

Upon receipt of an Extension Notice, the Issuing and Paying Agent shall, by 3:00 p.m. on such day the Extension Notice is received, complete each Commercial Paper Note as to amount, Note Date and Extended Maturity Date specified therein, and deliver each such Commercial Paper Note to or upon the order of the Dealer, as requested; provided, however, that no such Commercial Paper Notes shall be delivered by the Issuing and Paying Agent if such delivery would cause the sum of the aggregate principal amount of Commercial Paper Notes Outstanding to exceed the limitation set forth in Section 4.01 of this Ordinance. If an Extension Notice is received after 11:30 a.m. on a given day, the Issuing and Paying Agent shall not be obligated to deliver the requested Commercial Paper Notes until the next succeeding Business Day.

**Section 3.03.** Proceeds of Sale of Commercial Paper Notes. The proceeds of the sale of any Commercial Paper Notes (net of all expenses and costs of sale and issuance) shall be applied for any or all of the following purposes as directed by an Authorized Representative:

- (i) Proceeds to be used for the payment of Outstanding Commercial Paper Notes at or before maturity shall be retained in the Series ECP Note Payment Fund, and expended therefor; and

(ii) Proceeds not retained in the Series ECP Note Payment Fund as provided in subparagraph (i) above shall be transferred and deposited to the Series ECP Note Construction Account and used and applied in accordance with the provisions hereof.

**Section 3.04. Issuing and Paying Agent Agreement.** The Issuing and Paying Agent Agreement by and between the City and the Issuing and Paying Agent, relating to the Commercial Paper Notes, in substantially the form attached to this Ordinance as **Exhibit D**, is hereby approved, and any Authorized Representative is hereby authorized and directed to execute the same for and on behalf of the City and the City Secretary is authorized to attest and place the City seal on such instrument. Any Authorized Representative is hereby authorized to enter into any supplemental agreements with the Issuing and Paying Agent or with any successor Issuing and Paying Agent in order to implement the functions of the Issuing and Paying Agent or Registrar with respect to the Commercial Paper Notes.

**Section 3.05. Dealer Agreement.** The appointment of Loop Capital Markets LLC by the City to serve as Dealer is hereby confirmed. The Dealer Agreement to be entered into with the Dealer pertaining to the sale, from time to time, of Commercial Paper Notes or the purchase of Commercial Paper Notes from the City, all for a fee to be set forth in the Dealer Agreement, in substantially the form attached to this Ordinance as **Exhibit E**, is hereby approved, and any Authorized Representative is hereby authorized and directed to execute the same for and on behalf of the City and the City Secretary is authorized to attest and place the City seal on such instrument.

**Section 3.06. Record of Projects Financed with Commercial Paper Notes.** The City hereby covenants and agrees that immediately following the delivery of each Issuance Request to the Issuing and Paying Agent, it will keep and maintain a proper and complete system of records pertaining to the Projects being financed with the proceeds of the Commercial Paper Notes that are the subject of each respective Issuance Request. Such records shall include the following information: (i) the principal amount of Commercial Paper Notes being issued for each Project; (ii) the Election proposition being utilized to finance each Project; (iii) the principal amount being applied against each Election proposition; and (iv) the principal amount of voted authority remaining for each Election proposition.

## ARTICLE IV

### COVENANTS OF THE CITY

**Section 4.01. Limitation on Issuance.** Unless this Ordinance is amended and modified by the City Council in accordance with the provisions of Section 6.01 hereof, the Issuer covenants that there will not be issued and Outstanding at any time more than the Authorized Amount of Notes. The City, however, does reserve the right to increase said amount by an amendment to this Ordinance duly adopted by the City Council, but in no event to an amount greater than the amount of any remaining voted authorized but unissued ad valorem tax supported public securities determined at the time of the adoption of such amendment. For purposes of this Section any portion of Outstanding Notes to be paid on the day of calculation from moneys on deposit in the Series ECP Note Payment Fund or the proceeds of Notes or Refunding Bonds or any combination thereof shall not be considered Outstanding.

Should the City determine that it is necessary or desirable to provide liquidity in support of all or any of the Commercial Paper Notes, the City shall provide liquidity in an amount equal

to the total principal amount of such Outstanding Commercial Paper Notes plus interest to accrue thereon for the following two hundred and seventy (270) days. Any agreement to provide liquidity or credit from external sources in support of the Commercial Paper Notes shall be presented to the City Council for its approval.

**Section 4.02. Punctual Payment.** The City will punctually pay or cause to be paid the principal of and interest, if any, on the Notes (but only from the sources pledged herein), in conformity with the Notes and this Ordinance.

**Section 4.03. Covenant to Refinance.** The City covenants that it will undertake its best efforts to issue and deliver Notes or Refunding Bonds at the times and in the amounts necessary to refinance the Commercial Paper Notes that are maturing on the applicable Extended Maturity Date and apply the proceeds of such Notes or Refunding Bonds to retire such Commercial Paper Notes, either at maturity or redemption prior to maturity. Notwithstanding the foregoing, the City, acting through its Authorized Representatives, shall not deliver an Issuance Request for Commercial Paper Notes that could not be refinanced on or before the Maximum Maturity Date.

The receipts derived from the refinancing of the Commercial Paper Notes, whether by other Commercial Paper Notes or Refunding Bonds, and all amounts in the funds and accounts created or maintained pursuant to this Ordinance or the Issuing and Paying Agent Agreement, including earnings on such amounts, are hereby pledged as security for the payment of the Commercial Paper Notes and constitute trust funds held for that purpose, subject only to the provisions of this Ordinance and the Issuing and Paying Agent Agreement permitting the application thereof for the purposes and on the terms and conditions set forth herein and therein. The pledge herein made shall be irrevocable until all of the Commercial Paper Notes to be refinanced have been paid and retired.

**Section 4.04. Commercial Paper Notes to Remain Tax-Exempt.** In order to maintain the exclusion from gross income of the interest on the Commercial Paper Notes for federal income tax purposes, the Issuer will make all calculations required by section 148 of the Code, including, but not limited to, the calculation of rebate, in a reasonable and prudent fashion and to segregate and set aside the lawfully available amounts that such calculations indicate may be required to be paid to the United States of America. The City will at all times do and perform all acts and things within its power and authority necessary to comply with each applicable requirement of section 103 and sections 141 through 150 of the Code. The City will execute or cause to be executed a Federal Tax Certificate as may be required by the Code, in the opinion of Bond Counsel, and the Form 8038-G, or any other forms designated by the Internal Revenue Service in substitution thereof. In furtherance of the foregoing, the Issuer will execute annually, or at any other time necessary in the opinion of Bond Counsel, a Federal Tax Certificate and Form 8038-G necessary to assure the tax-exempt status of the Commercial Paper Notes. In furtherance thereof, the City covenants as follows:

- (a) to take any action to assure that no more than ten (10) percent of the proceeds of the Commercial Paper Notes 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 ten (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 ten (10) percent of

the debt service on the Commercial Paper 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 (5) percent of the proceeds of the Commercial Paper Notes or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of five (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 five (5) percent of the proceeds of the Commercial Paper 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 Commercial Paper 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 Commercial Paper 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 Commercial Paper 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 Commercial Paper Notes, other than investment property acquired with --

(1) proceeds of the Commercial Paper Notes invested for a reasonable temporary period until such proceeds are needed for the purpose for which the obligations 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 (10) percent of the proceeds of the Commercial Paper Notes;

(g) to otherwise restrict the use of the proceeds of the Commercial Paper Notes or amounts treated as proceeds of the Commercial Paper Notes, as may be necessary, so that the Commercial Paper Notes do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings); and

(h) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Commercial Paper Notes) an amount that is at least equal to ninety (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 sixty (60) days after the Commercial Paper Notes have been paid in full, one hundred (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 shall not expend, or permit to be expended, the proceeds of the Commercial Paper Notes in any manner inconsistent with its reasonable expectations as certified in the Federal Tax Certificates to be executed from time to time with respect to the Commercial Paper Notes; provided, however, that the City may expend proceeds of the Commercial Paper Notes in any manner if the City first obtains an unqualified opinion of nationally-recognized bond counsel that such expenditure will not impair the exemption from federal income taxation of interest paid on the Commercial Paper Notes. The City hereby elects to treat those Commercial Paper Notes redeemed during each eighteen-month period as one “issue” in accordance with the provisions of section 148(f)(3) of the Code, unless otherwise provided in the Federal Tax Certificate.

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 Commercial Paper Notes. 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 Commercial Paper Notes, 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 Bond Counsel, will not adversely affect the exemption from federal income taxation of interest on the Commercial Paper 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 Commercial Paper Notes, the City 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 Commercial Paper Notes under section 103 of the Code. In furtherance of such intention, the City Council hereby authorizes and directs, jointly and severally, the Mayor, the City Manager, any Assistant City Manager and the Chief Financial Officer/Director of Financial Management Services of the City to execute any documents, certificates or 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 Commercial Paper Notes.

In order to facilitate compliance with the above clause (h), upon the issuance of Commercial Paper Notes, a “Rebate Fund” may be established by the City for the sole benefit of the United States of America, and such Fund shall not be subject to the claim of any other person, including without limitation the Noteholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

**Section 4.05 Allocation of, and Limitation on, Expenditures for Projects.** The City covenants to account for on its books and records the expenditure of proceeds from the sale of the Commercial Paper Notes and any investment earnings thereon to be used for Projects 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 foregoing notwithstanding, the City shall not expend such proceeds or investment earnings more than sixty (60) days after the later of (a) the fifth anniversary of the date of delivery of the Commercial Paper Notes or (b) the date the Commercial Paper Notes are retired, unless the City obtains an

opinion of nationally-recognized bond counsel substantially to the effect that such expenditure will not adversely affect the tax-exempt status of the Commercial Paper Notes.

**Section 4.06. Disposition of Projects.** The City covenants that the property constituting a Project 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 Commercial Paper 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.

**Section 4.07 Written Procedures.** 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 August 24, 2021, apply to the issuance of the Commercial Paper Notes issued as obligations described in section 103(a) of the Code, and are incorporated by reference into this Ordinance.

**Section 4.08. [Reserved].**

**Section 4.09. Opinion of Bond Counsel.** The City shall cause the legal opinion of Bond Counsel as to the validity of the Commercial Paper Notes and as to the exemption of interest on the Commercial Paper Notes from federal income taxation to be furnished to any Holder without cost. In addition, a copy of said opinion may be printed on each of the Commercial Paper Notes. In addition, in connection with the annual updating of the Offering Memorandum (as provided in accordance with Section 6.08 hereof) as required by the Dealer Agreement, there may be provided an annual updated opinion of Bond Counsel, at the cost of the City.

**Section 4.10. Continuing Disclosure Obligation.** To the extent required by the provisions of the Rule, the City agrees to enter into an agreement to file financial information and operating data with respect to the Commercial Paper Notes with EMMA. The City agrees to provide the Dealer a link to the City's consolidated audited financial report posted on the City's website promptly after each fiscal year's consolidated audited financial report is accepted by the City Council.

**Section 4.11. Notice to Rating Agencies.** The City shall cause to be provided to any Rating Agency notice of any proposed amendment to this Ordinance, with such notice to be provided in the manner set forth in the Issuing and Paying Agent Agreement.

## **ARTICLE V**

### **EVENTS OF DEFAULT AND REMEDIES OF NOTEHOLDERS**

**Section 5.01. Events of Default.** If one or more of the following events shall occur:

(a) if default shall be made in the due and punctual payment of any installment of principal of any Commercial Paper Note when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if the City shall fail to make due and punctual payment of any installment of interest on any Commercial Paper Note when and as such interest installment shall become due and payable;

(c) if default shall be made by the City in the performance or observance of any other of the covenants, agreements or conditions on its part in this Ordinance or in the Commercial Paper Notes contained, and such default shall continue for a period of sixty (60) days after written notice thereof; provided, however, if such default cannot be cured within the sixty (60) day period but corrective action to cure such default is commenced and diligently pursued until the default is corrected no such Event of Default shall be deemed to have occurred; or

(d) if there shall occur the dissolution (without a successor being named to assume the rights and obligations) or liquidation of the City or the filing by the City of a voluntary petition in bankruptcy, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of its creditors, or the entry by the City into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceeding for the adjustment of its debts instituted under the provisions of the Bankruptcy Code, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted;

then such event as described above shall constitute an “Event of Default” under this Ordinance.

**Section 5.02. Suits at Law or in Equity and Mandamus.** In case one or more Events of Default shall occur, then and in every such case the Holder of any Note at the time Outstanding shall be entitled to proceed to protect and enforce such Holder’s rights by such appropriate judicial proceeding as such Holder shall deem most effectual to protect and enforce any such right, either by suit in equity or by action at law, whether for the specific performance of any covenant or agreement contained in this Ordinance, or in aid of the exercise of any power granted in this Ordinance, or to enforce any other legal or equitable right vested in the Holders of Notes by this Ordinance or the Notes or by law. The provisions of this Ordinance shall be a contract with each and every Holder of Notes and the duties of the City shall be enforceable by any Noteholder by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

**Section 5.03. Remedies Not Exclusive.** No remedy herein conferred upon or reserved to the Holders of Notes is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised at any time or from time to time, and as often as may be necessary, by the Holder of any one or more of the Notes.

**Section 5.04. No Personal Liability.** None of the members of the City Council, nor any Authorized Representative, nor any other official or officer, agent, or employee of the City, shall be charged personally by the Holders with any liability, or be held personally liable to the Holders under any term or provision of this Ordinance, or because of any Event of Default or alleged Event of Default under this Ordinance.



## ARTICLE VI

### MISCELLANEOUS

**Section 6.01.** Amendments or Modifications without Consent of Holders of Notes. This Ordinance and the rights and obligations of the City and of the Holders of Notes may be modified or amended at any time by a supplemental ordinance, without notice to or the consent of any Noteholders, but only to the extent permitted by law, and, subject to the rights of the holders of the Notes, only for any one or more of the following purposes --

(1) to add to the covenants and agreements of the City in this Ordinance contained, other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon the City;

(2) to cure any ambiguity or inconsistency, or to cure or correct any defective provision contained in this Ordinance, upon receipt by the City of an approving opinion of Bond Counsel selected by the City, that the same is needed for such purpose, and will more clearly express the intent of this Ordinance; or

(3) to supplement the security for the Notes, replace or provide additional credit facilities, make such changes, modifications or amendments as may be necessary or desirable in order to obtain the approval of this Ordinance by the Attorney General of the State of Texas, as required by Section 6.09 hereof, or to obtain or maintain the granting of a rating on the Notes by a nationally recognized municipal bond rating agency, or change the form of the Notes, or make such other changes in the provisions hereof as the City may deem necessary or desirable and which shall not materially adversely affect the interests of the Holders of the Notes;

provided, however, that nothing herein contained shall permit or be construed to permit the amendment of the terms and conditions of this Ordinance or of the Commercial Paper Notes so as to:

(1) Make any change in the Original Maturity Date or Extended Maturity Date of any of the Outstanding Commercial Paper Notes;

(2) Reduce the rate of interest borne by any of the Outstanding Commercial Paper Notes;

(3) Reduce the amount of the principal payable on any of the Outstanding Commercial Paper Notes;

(4) Modify the terms of payment of principal of or interest on the Outstanding Commercial Paper Notes, or impose any conditions with respect to such payment;

(5) Affect the rights of the Holders of less than all of the Outstanding Commercial Paper Notes; or

(6) Reduce or restrict the pledge made for the payment of the Commercial Paper Notes;

and provided, further, that no change, modification or amendment shall be made in this Ordinance or become valid and effective without the approval of such change, modification or amendment

by the Attorney General of the State of Texas, to the extent required by the Act.

**Section 6.02. Additional Actions.** Any Authorized Representative, the City Secretary, and the other officers of the City, each are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Notes and otherwise to effectuate the purposes of this Ordinance, the Issuing and Paying Agent Agreement, the Dealer Agreement and the Offering Memorandum. Specifically, by the adoption of this Ordinance, the City Council hereby authorizes the payment of the fees and expenses incurred and to be paid by the City in connection with the issuance, sale and delivery of the Notes and the execution and delivery of the Dealer Agreement and the Issuing and Paying Agent Agreement including, without limitation, the fee of the Attorney General of the State of Texas payable in respect to the review of the proceedings authorizing the issuance of the Commercial Paper Notes required under Section 1202.004, Texas Government Code. By adoption of this Ordinance, each Authorized Representative is designated as 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.

**Section 6.03. Ordinance to Constitute a Contract; Equal Security.** In consideration of the acceptance of the Notes, the issuance of which is authorized hereunder, by those who shall hold the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the City and the Holders from time to time of the Notes and the pledge made in this Ordinance by the City and the covenants and agreements set forth in this Ordinance to be performed by the City shall be for the equal and proportionate benefit, security and protection of all Holders of the Notes, without preference, priority or distinction as to security or otherwise of any of the Notes authorized hereunder over any of the others by reason of time of issuance, sale or maturity thereof or otherwise for any cause whatsoever, except as expressly provided in or permitted by this Ordinance.

**Section 6.04. Severability of Invalid Provisions.** If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Notes issued hereunder.

**Section 6.05. Payment and Performance on Business Days.** Whenever under the terms of this Ordinance or the Commercial Paper Notes, the performance date of any provision hereof or thereof, including the payment of principal of or interest on the Commercial Paper Notes, shall occur on a day other than a Business Day, then the performance thereof, including the payment of principal of and interest on the Commercial Paper Notes, need not be made on such

day but may be performed or paid, as the case may be, on the next succeeding Business Day with the same force and effect as if made on the date of performance or payment.

**Section 6.06. Defeasance.** If, when all or any portion of the Commercial Paper Notes shall have become due and payable in accordance with their terms or otherwise as provided in this Ordinance, the entire principal and interest so due and payable upon said Commercial Paper Notes

shall be paid, or if at or prior to the date said Commercial Paper Notes have become due and payable, sufficient moneys or obligations described in Chapter 1207, Texas Government Code, shall be held in trust by the Issuing and Paying Agent and provision shall also be made for paying all other sums payable hereunder by the City with respect to said Commercial Paper Notes, the pledge herein created with respect to said Commercial Paper Notes shall thereupon cease, terminate and become discharged and said Commercial Paper Notes shall no longer be deemed outstanding for purposes of this Ordinance and all the provisions of this Ordinance relating to the Commercial Paper Notes, including all covenants, agreements, liens and pledges made herein for the benefit thereof, shall be deemed duly discharged, satisfied and released.

**Section 6.07. Limitation of Benefits with Respect to the Ordinance.** With the exception of the rights or benefits herein expressly conferred, nothing expressed or contained herein or implied from the provisions of this Ordinance or the Notes is intended or should be construed to confer upon or give to any person other than the City, the Holders of the Notes, the Issuing and Paying Agent and the Dealer, any legal or equitable right, remedy or claim under or by reason of or in respect to this Ordinance or any covenant, condition, stipulation, promise, agreement or provision herein contained. This Ordinance and all of the covenants, conditions, stipulations, promises, agreements and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the City, the Holders of the Notes, the Issuing and Paying Agent and the Dealer as herein provided.

**Section 6.08. Use of Offering Memorandum.** The use by the Dealer of the Offering Memorandum, prepared by the City in connection with the sale of Commercial Paper Notes, and the distribution of the Offering Memorandum by the Dealer, is approved subject to the approval thereof by an Authorized Representative. Any Authorized Representative is hereby authorized to approve the use by the Dealer of any updated or new Offering Memorandum, which shall occur no less frequently than on each anniversary of the initial date of the Offering Memorandum.

**Section 6.09. Approval of Attorney General.** An Authorized Representative shall submit this Ordinance and a transcript of proceedings related thereto to the Attorney General of the State of Texas for approval, as required by the Act. No Notes herein authorized to be issued shall be sold or delivered by the City until the Attorney General of the State of Texas shall have approved this Ordinance and other agreements and proceedings as may be required in connection therewith, all as required by the Act. The City Council authorizes the payment of the fee of the Attorney General of the State of Texas for the examination of the proceedings relating to the Commercial Paper Notes, in the amount determined in accordance with the provisions of Section 1202.004, Texas Government Code.

**Section 6.10. Section 2252.908, Government Code.** The City shall not execute the Dealer Agreement or the Issuing and Paying Agent Agreement unless the Dealer and the Issuing and Paying Agent, respectively, has confirmed to an Authorized Representative that either it (i) has made disclosure filings to the Texas Ethics Commission in accordance with Section

2252.908, Texas Government Code or (ii) is exempt from making filings under Section 2252.908(c)(4), Texas Government Code. If clause (i) of this Section 6.10 applies to any party, within 30 days of receipt of any such disclosure filing the filing will be acknowledged by the City in accordance with the rules of the Texas Ethics Commission.

**Section 6.11. Preamble.** 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.

**Section 6.12. 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.

**Section 6.13. 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.

*[Execution Page Follows]*

ADOPTED AND EFFECTIVE August 23, 2022.

\_\_\_\_\_  
Mayor, City of Fort Worth, Texas

ATTEST:

\_\_\_\_\_  
City Secretary, City of Fort Worth, Texas

(SEAL)

APPROVED AS TO FORM AND LEGALITY:

\_\_\_\_\_  
City Attorney, City of Fort Worth

## EXHIBIT A

### Form of Commercial Paper Note:

UNITED STATES OF AMERICA  
STATE OF TEXAS  
CITY OF FORT WORTH, TEXAS  
GENERAL PURPOSE COMMERCIAL PAPER NOTE,  
SERIES ECP

Note Number \_\_\_\_\_ Interest Rate \_\_\_\_\_ Note Date \_\_\_\_\_ \$ \_\_\_\_\_

On \_\_\_\_\_ (the "Original Maturity Date") for value received, THE CITY OF FORT WORTH, TEXAS (the "City")

Promises To Pay To The Order of \_\_\_\_\_  
The Principal Sum Of \_\_\_\_\_  
Payable At \_\_\_\_\_  
(the "Issuing and Paying Agent"),

and to pay interest, if any, on said principal amount, specified above, from the above specified Note Date on said Original Maturity Date at the per annum Interest Rate specified above (computed on the basis of actual days elapsed and a 365-day or 366-day year, as applicable) solely from the sources hereinafter identified and as hereinafter stated.

This Note is one of an issue of commercial paper notes (the "Commercial Paper Notes") which has been duly authorized and issued in accordance with the provisions of an ordinance (the "Ordinance") passed by the City Council of the City for the purpose of financing Project Costs of Projects; to refund obligations issued in connection with a Project; and to refinance, renew or refund Notes and Refunding Bonds, including interest thereon, in accordance with the provisions of the Ordinance; all in accordance and in strict conformity with the provisions of Chapters 1331 and 1371, Texas Government Code, as amended (collectively, the "Act"). Defined terms used in this Commercial Paper Note shall have the meanings given said terms in the Ordinance.

Both principal of and interest on this Commercial Paper Note shall be payable in immediately available lawful money of the United States of America at the designated corporate office of the Issuing and Paying Agent, specified above, or its successor.

If the Original Maturity Date shall have been extended to the Extended Maturity Date, as provided in the Ordinance, the interest accrued on this Commercial Paper Note to the Original Maturity Date will be paid on the Original Maturity Date. The principal amount of this Commercial Paper Note will be payable on the Extended Maturity Date, and after the Original Maturity Date, this Commercial Paper Note shall bear interest from the Original Maturity Date to the Extended Maturity Date, at the per annum Extended Rate described below (computed on the basis of actual days elapsed and a 365-day or 366-day year, as applicable) solely from the sources hereinafter identified and as hereinafter stated.

The payment of the principal of and interest on this Note is and shall be secured by and payable from the following, subject to the provisions of the Ordinance permitting the application thereof for the purposes and on the terms and conditions set forth therein: (i) the proceeds from the sale of Notes to refinance the principal amount of maturing Notes, (ii) the proceeds of Refunding Bonds to be issued by the Issuer to pay the principal of and interest on Notes, (iii) the proceeds of the tax levy set forth in Section 2.10 of the Ordinance, and (iv) any funds held and available for such purposes in funds and accounts created or maintained under the Ordinance or the Issuing and Paying Agent Agreement (except the Rebate Fund). This Note is not secured by or payable from a mortgage or deed of trust on any properties, whether real, personal, or mixed, nor from any source other than as specified in the Ordinance.

No interest will accrue on the principal amount hereof after said Original Maturity Date or, if the Original Maturity Date shall have been extended to the Extended Maturity Date, after said Extended Maturity Date, or the date fixed for redemption of this Commercial Paper Note.

If the Original Maturity Date is before the 15th day of the month, and the City exercises its option in accordance with the Ordinance to extend the Original Maturity Date of this Commercial Paper Note to an Extended Maturity Date, interest accruing after the Original Maturity Date shall be payable on the first Business Day of the next month and on the first Business Day of each month thereafter and on the Extended Maturity Date for, or the date fixed for redemption of, this Commercial Paper Note. If the Original Maturity Date is on or after the 15th day of the month, and the City exercises its option in accordance with the Ordinance to extend the Original Maturity Date of this Commercial Paper Note to an Extended Maturity Date, interest accruing after the Original Maturity Date shall be payable on the first Business Day of the second succeeding month and on the first Business Day of each month thereafter and on the Extended Maturity Date for, or the date fixed for redemption of, this Commercial Paper Note.

The Extended Rate shall be the rate of interest per annum determined by the following formula:

The greater of  $(\text{SIFMA Index} + E)$  or  $F$

The Extended Rate applicable to this Commercial Paper Note will be determined weekly by the Issuing and Paying Agent based on the Prevailing Ratings and other information available as of 11:00 a.m., New York, New York time, on the Original Maturity Date of this Commercial Paper Note and each Thursday thereafter and will apply from that date through the following Wednesday or, if earlier, the applicable Extended Maturity Date, or the date fixed for redemption of this Commercial Paper Note. As used in the formula, the  $E$  and  $F$  variables shall be the fixed percentage rates, expressed in basis points and yields, respectively, determined based on the Prevailing Ratings of the Rating Agencies then rating the Commercial Paper Notes at the request of the City, as follows:

### **Prevailing Rating**

<u>S&amp;P</u>	<u>E Variable</u>	<u>F Variable</u>
A-1+	250 bps	7.00%
A-1	350 bps	7.50%
A-2	550 bps	8.00%
Lower than A-2 (or rating withdrawn for credit reasons)	Max Rate	Max Rate

If the City obtains another rating on the Commercial Paper Notes from a credit rating agency, the Issuing and Paying Agent shall, upon written direction of the Authorized Representative, following consultation with the Authorized Representative and the Dealer, determine how the credit rating agency's rating categories shall be treated for the purpose of indicating an *E* or *F* variable. In no event shall the Extended Rate exceed the Maximum Interest Rate.

It is hereby certified and recited that all acts, conditions, and things required by law and the Ordinance to exist, to have happened, and to have been performed precedent to and in the issuance of this Commercial Paper Note, do exist, have happened, and have been performed in regular and in due time, form, and manner as required by law; that the issuance of this Commercial Paper Note, together with all other Outstanding Commercial Paper Notes, is not in excess of the Authorized Amount permitted to be issued under the Ordinance; that sufficient and proper provision for the levy and collection of taxes has been made, which, when collected, shall be appropriated exclusively to the payment of the principal and interest on this Commercial Paper Note, together with the other Commercial Paper Notes; and that the total indebtedness of the City does not exceed any constitutional, statutory or charter limitation.

This Commercial Paper Note has all the qualities and incidents of a negotiable instrument under the laws of the State of Texas.

This Commercial Paper Note may be registered to bearer or to any designated payee. Title to any Commercial Paper Note registered to bearer shall pass by delivery. If not registered to bearer, this Commercial Paper Note may be transferred only on the books of the Issuing and Paying Agent. Upon surrender hereof at the designated office of the Issuing and Paying Agent, this Commercial Paper Note may be exchanged for a like aggregate principal amount of fully registered (which registration may be to bearer) Commercial Paper Notes of authorized denominations of like interest rate and maturity, and in the same form as this Commercial Paper Note, but only in the manner, and subject to the limitations, and upon payment of the charges provided in the Ordinance and upon surrender and cancellation of this Commercial Paper Note.

This Commercial Paper Note shall not be entitled to any benefit under the Ordinance or be valid or become obligatory for any purpose until this Commercial Paper Note shall have been authenticated by the execution by the Issuing and Paying Agent of the Certificate of Authentication hereon.



IN TESTIMONY WHEREOF, the City Council has caused the seal of the City to be duly impressed or placed in facsimile hereon, and this Note to be signed with the imprinted facsimile signature of the Mayor, attested by the facsimile signature of the City Secretary and approved as to form by the facsimile signature of the City Attorney.

\_\_\_\_\_  
XXXXXXXX  
City Secretary,  
City of Fort Worth

\_\_\_\_\_  
XXXXXXXX  
Mayor,  
City of Fort Worth

APPROVED AS TO FORM:

\_\_\_\_\_  
XXXXXXXX  
City Attorney, City of Fort Worth

(SEAL)

ISSUING AND PAYING AGENT'S  
CERTIFICATE OF AUTHENTICATION

This Commercial Paper Note is one of the Commercial Paper Notes delivered pursuant to the within mentioned Ordinance.

\_\_\_\_\_,  
as Issuing and Paying Agent

By: \_\_\_\_\_  
Authorized Signatory

**EXHIBIT B**  
**FORM OF MASTER NOTE**

**EXHIBIT C**  
**FORM OF EXTENSION NOTICE**

Date \_\_\_\_\_

[Name and Address of Issuing and Paying Agent]

[Name and Address of Dealer]

**EXTENSION NOTICE**

Ladies and Gentlemen:

This notice is provided pursuant to the requirements of Section 2.04(a) of the Ordinance (the "Ordinance") adopted by the City Council of the City of Fort Worth, Texas, with respect to the issuance of the City of Fort Worth, Texas General Purpose Commercial Paper Notes, Series ECP, for the purpose of extending the term of a Commercial Paper Note, as provided herein. Capitalized terms used herein and not otherwise defined shall have the meaning given in the Ordinance.

- (a) The Commercial Paper Note is in the principal amount of \$\_\_\_\_\_, bears interest at the Original Interest Rate of \_\_\_\_%, and has a stated Original Maturity Date of \_\_\_\_\_, 20\_\_.
- (b) The Extended Maturity Date of the Commercial Paper Note shall be \_\_\_\_\_, 20\_\_, which is a Business Day.
- (c) The certifications made in the Issuance Request delivered in connection with the initial issuance of the Commercial Paper Note are confirmed.
- (d) The term of the Commercial Paper Note, as extended to the Extended Maturity Date, does not exceed 270 days or extend past the Maximum Maturity Date.

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

CITY OF FORT WORTH, TEXAS

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

**EXHIBIT D**  
**FORM OF ISSUING AND PAYING AGENT AGREEMENT**

**EXHIBIT E**  
**FORM OF DEALER AGREEMENT**

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

I, Jannette S. Goodall, 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 August 23, 2022, and of the ordinance authorizing the issuance of General Purpose Commercial Paper Notes, Series ECP, 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 23<sup>rd</sup> day of August 2022.

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City Secretary of the  
City of Fort Worth, Texas

(SEAL)