



31 “City” means the City of Austin, Texas, and, where appropriate, the  
32 City Council.

33 “Closing Date” means the date of the initial delivery of the Bonds to  
34 the initial purchasers thereof.

35 “Code” has the meaning set forth in Section 24(a) of this Ordinance.

36 “Convention Center/Waller Creek Venue Project” means the capital  
37 improvement project described generally of consisting of the prior  
38 expansions to the City’s Convention Center, including the construction  
39 of tunnel improvements along Waller Creek in the vicinity of and  
40 functionally related to the convention center and related infrastructure  
41 and being a venue project within the meaning of Chapter 334 of the  
42 Local Government Code approved at an election held in the City May  
43 2, 1998, and designated by Resolution No. 980205-61.

44 “Credit Agreement” has the meaning set forth in Chapter 1371, Texas  
45 Government Code, as the same may be amended from time to time.

46 “Debt Service Requirements” means an amount equal to the sum of the  
47 principal of and interest and any redemption premium on the bonds then  
48 Outstanding which will become due and owing during the Bond Year;  
49 subject, however, to adjustment as provided in Section 20.

50 “Designated Payment/Transfer Office” means the office of the Paying  
51 Agent/Registrar so designated by it from time to time.

52 “Fiscal Year” means the City’s fiscal year, which is currently October  
53 1 to September 30.

54 “Fitch” means Fitch Ratings, Inc., a corporation organized and existing  
55 under and by virtue of the laws of the State of New York, and its  
56 successors and assigns, except that if such corporation shall be  
57 dissolved or liquidated or shall no longer perform the functions of a  
58 securities rating agency, then the term “Fitch” shall be deemed to refer  
59 to any other nationally recognized securities rating agency selected by  
60 the City.

61 “Government Obligations” mean (i) direct noncallable obligations of  
62 the United States of America, including obligations the principal of and

63 interest on which are unconditionally guaranteed by the United States  
64 of America, (ii) noncallable obligations of an agency or instrumentality  
65 of the United States, including obligations unconditionally guaranteed  
66 or insured by the agency or instrumentality and on the date of their  
67 acquisition or purchase by the City are rated as to investment quality by  
68 a nationally recognized investment rating firm not less than AAA or its  
69 equivalent, (iii) noncallable obligations of a state or an agency or a  
70 county, municipality, or other political subdivision of a state that have  
71 been refunded and on the date of their acquisition or purchase by the  
72 City, are rated as to investment quality by a nationally recognized  
73 investment rating firm not less than AAA or its equivalent. and (iv) any  
74 other then authorized securities or obligations under applicable State  
75 law that may be used to defease obligations such as the Bonds.

76 “Guaranty Agreement” has the meaning set forth in Section 17 of this  
77 Ordinance.

78 “Holder” or “Owner” means, when used with respect to any Bond, the  
79 person or entity in whose name such Bond is registered in the Security  
80 Register. Any reference to a particular percentage or proportion of the  
81 Holders or Owners shall mean the Holders or Owners at a particular  
82 time of the specified percentage or proportion in aggregate principal  
83 amount of all Bonds then Outstanding under this Ordinance.

84 “Moody’s” means Moody’s Investors Service, Inc., a corporation  
85 organized and existing under and by virtue of the laws of the State of  
86 Delaware, and its successors and assigns, except that if such  
87 corporation shall be dissolved or liquidated or shall no longer perform  
88 the functions of a securities rating agency, then the term “Moody’s”  
89 shall be deemed to refer to any other nationally recognized securities  
90 rating agency selected by the City.

91 “Ordinance” means this Ordinance No. 2025\_\_\_\_ - \_\_\_\_ and all exhibits,  
92 appendices, amendments and supplements.

93 “Outstanding” means, as of a particular date, all Bonds delivered  
94 except: (a) any such Bonds paid, discharged or canceled by or on behalf  
95 of the City at or before the particular date; (b) any Bonds defeased  
96 pursuant to the defeasance provisions of the authorizing ordinance, or  
97 otherwise defeased as permitted by applicable law; and (c) any Bonds

98 in lieu of or in substitution for, which another obligation is delivered  
99 pursuant this Ordinance.

100 “Parity Obligations” mean at any time all (i) Bonds, (ii) all  
101 Reimbursement Obligations, and (iii) any future obligation of the City  
102 under Credit Agreements or other agreements to the extent such  
103 obligations are secured by a lien on Pledged Revenues on an equal and  
104 ratable basis with the lien securing the Bonds.

105 “Paying Agent/Registrar” means, with respect to the Bonds, the Paying  
106 Agent/Registrar to be appointed as provided in Section 5 of this  
107 Ordinance, and its successors in that capacity.

108 “Pledged Revenues” mean, collectively, (i) the Venue Hotel  
109 Occupancy Tax deposited to the credit of the Venue Project Fund,  
110 (ii) interest and other income realized from the investment of amounts  
111 on deposit in the funds and accounts to be maintained pursuant to this  
112 Ordinance to the extent such interest and other income are required to  
113 be transferred or credited to the Venue Project Fund, and (iii) any  
114 additional revenue, receipts or income hereafter pledged to the Bonds  
115 in accordance with Section 21(b) of this Ordinance.

116 “Pricing Certificate” means a certificate containing the final pricing  
117 information from the pricing of the Bonds authorized by this Ordinance  
118 and executed by a Pricing Officer, which completes the sale of the  
119 Bonds.

120 “Pricing Officer” means, individually and/or collectively, each of the  
121 Mayor, the City Manager, the Chief Financial Officer, the Director of  
122 Financial Services, and the Treasurer of the City.

123 “Rating Agency” means any nationally recognized rating agency that  
124 maintains a rating on the Bonds at the request of the City. Initially, the  
125 Rating Agencies are Moody’s and S&P.

126 “Rating Category” means one of the general rating categories of any  
127 Rating Agency, without regard to any refinement or gradation of such  
128 rating category by a numerical modifier or otherwise.

129 “Rating Confirmation Notice” means, with respect to an action that  
130 affects the Bonds, a writing from each Rating Agency confirming that  
131 the rating(s) issued by such Rating Agency on such series of Bonds will  
132 not be lowered or withdrawn as a result of the action proposed to be  
133 taken.

134 “Refunded Bonds” has the meaning set forth in Section 1 of this  
135 Ordinance.

136 “Refunded Obligations” means the Refunded Bonds and the costs of  
137 any termination payments associated with Credit Agreements related to  
138 the Refunded Bonds.

139 “Reimbursement Obligation” mean any obligation entered into by the  
140 City in connection with any Parity Bond pursuant to which the City  
141 obligates itself to reimburse a bank, insurer, surety or other entity for  
142 amounts paid or advanced by such party pursuant to a letter of credit,  
143 line of credit, standby bond purchase agreement, credit facility,  
144 liquidity facility, insurance policy, surety bond or other similar credit  
145 agreement, guaranty or liquidity agreement to secure any portion of  
146 principal of, interest on or purchase price of any Parity Bond or reserves  
147 in connection therewith or otherwise relating to any Parity Bond. The  
148 City’s obligations under a Guaranty Agreement, its obligations under a  
149 liquidity facility, and its obligations to reimburse a credit facility  
150 provider for amounts paid under a credit facility constitute  
151 Reimbursement Obligations.

152 “Reserve Fund” means the Fund referenced in Section 17 of this  
153 Ordinance to provide a reserve amount for the payment of Bonds.

154 “Reserve Fund Requirement” means the least of (i) 10% of the  
155 Outstanding principal amount of the Bonds or (ii) the maximum annual  
156 Debt Service Requirements scheduled to occur in the then current and  
157 each future Fiscal Year for all Bonds at any time Outstanding, or  
158 (iii) the maximum amount in a reasonably required reserve fund that  
159 can be invested without restriction as to yield pursuant to Subsection (d)  
160 of section 148 of Code, and regulations promulgated under  
161 Subsection (d) of section 148 of the Code.

162 “Reserve Fund Surety Bond” means any surety bond, insurance policy,  
163 letter of credit or other guaranty issued to the City for the benefit of the  
164 Holders of the Bonds to satisfy any part of the Reserve Fund  
165 Requirement as provided in Section 17 of this Ordinance.

166 “Security Register” means the books of registration maintained by the  
167 Paying Agent/Registrar for recording the names and addresses of and  
168 the principal amounts registered to each Holder.

169 “S&P” means S&P Global Ratings, a Standard & Poor’s Financial  
170 Services LLC, business, organized and existing under and by virtue of  
171 the laws of the State of New York, and its successors and assigns,  
172 except that if such corporation shall be dissolved or liquidated or shall  
173 no longer perform the functions of a securities rating agency, then the  
174 term “S&P” shall be deemed to refer to any other nationally recognized  
175 securities rating agency selected by the City after consultation with the  
176 Remarketing Agent, if any, and the Broker-Dealer, if any.

177 “Transfer Date” means each February 14, May 14, August 14, and  
178 November 14, beginning February 14, 2026.

179 “Transfer Period” means the period of time beginning on any Transfer  
180 Date and ending on the day immediately preceding the next succeeding  
181 Transfer Date.

182 “Venue Hotel Occupancy Tax” means the 2% hotel occupancy tax  
183 approved at the election held May 2, 1998 to finance the Convention  
184 Center/Waller Creek Venue Project and levied by the City pursuant to  
185 Ordinance No. 980709-G, adopted by the City Council of the City on  
186 July 9, 1998, on the cost of occupancy of any sleeping room furnished  
187 by any hotel located within the corporate limits of the City, in which  
188 the cost of occupancy is \$2.00 or more each day.

189 “Venue Project Fund” means the Fund so designated, created and  
190 established pursuant to Ordinance No. 980709-G, adopted by the City  
191 Council on July 9, 1998, providing for the levy, assessment and  
192 collection of the Venue Hotel Occupancy Tax.

193 (b) Findings. The City has issued, sold, and delivered, and there are  
194 currently outstanding obligations totaling in original principal amount \$46,175,000

195 of the following issues or series (collectively, the “Refunded Bonds”): (1) City of  
196 Austin, Texas, Hotel Occupancy Tax Subordinate Lien Revenue Refunding Bonds,  
197 Series 2012 (Convention Center/Waller Creek Venue Project), dated March 1, 2012,  
198 scheduled to mature on November 15 in each of the years 2026 through 2029; (2)  
199 City of Austin, Texas, Hotel Occupancy Tax Subordinate Lien Variable Rate  
200 Revenue Refunding Bonds, Series 2008 Subseries A, dated August 14, 2008,  
201 scheduled to mature on November 15, 2029; and (3) City of Austin, Texas, Hotel  
202 Occupancy Tax Subordinate Lien Variable Rate Revenue Refunding Bonds, Series  
203 2008 Subseries B, dated August 14, 2008, scheduled to mature on November 15,  
204 2029.

205 Pursuant to the provisions of Chapter 1207, as amended, Texas Government  
206 Code, the City may issue refunding bonds and deposit the proceeds of sale directly  
207 with the place of payment for the Refunded Bonds, or other authorized depository,  
208 and that deposit, when made in accordance with said statute, shall constitute the  
209 making of firm banking and financial arrangements for the discharge and final  
210 payment of the Refunded Bonds.

211 It is a public purpose and in the best interest of the City to refund the Refunded  
212 Bonds in order to modify the pledge security on the Refunded Bonds, among other  
213 information and terms to be included in the Pricing Certificate to be executed by the  
214 Pricing Officer, all in accordance with the provisions of Chapter 1207, as amended,  
215 Texas Government Code.

216 In accordance with the provisions of Chapter 1371, as amended, Texas  
217 Government Code, the City Council is delegating to the Pricing Officer (as defined  
218 below) the authority to establish the terms and details related to the issuance and sale  
219 of the Bonds including: (i) the form and designation of the Bonds; (ii) the principal  
220 amount of the Bonds and the amount of the Bonds to mature in each year; (iii) the  
221 dates, price, interest rates, interest payment dates, principal payment dates, and  
222 redemption features of the Bonds; and (iv) any other details relating to the issuance,  
223 sale, delivery, and exchange of the Bonds, all within specified parameters set forth  
224 below.

225 **SECTION 2: AUTHORIZATION-DESIGNATION-PRINCIPAL**  
226 **AMOUNT - PURPOSE - DATE.** Special revenue bonds of the City, payable solely  
227 from the sources and secured in the manner provided in this Ordinance, shall be and  
228 are authorized to be issued in one or more series in the not to exceed aggregate  
229 principal amount set forth in Section 4, to be designated and bear the title “CITY OF

230 AUSTIN, TEXAS, HOTEL OCCUPANCY TAX REVENUE REFUNDING  
231 BONDS (SEPARATE VENUE LIEN)” (the “Bonds”), for the purpose of  
232 refinancing and refunding the Refunded Obligations, and paying costs of issuance,  
233 in conformity with the Constitution and laws of the State of Texas, including the  
234 Bond Act.

235 **SECTION 3: FULLY REGISTERED**  
236 **OBLIGATIONS - AUTHORIZED DENOMINATIONS - STATED**  
237 **MATURITIES - BOND DATE - INTEREST RATES.** The Bonds are issuable in  
238 fully registered form only; shall be dated the Bond Date, shall be in denominations  
239 of \$5,000 or any integral multiple thereof (within a Stated Maturity), and the Bonds  
240 shall become due and payable on November 15 in each of the years and in principal  
241 amounts (the “Stated Maturities”) and bear interest at per annum rates in accordance  
242 with details of the Bonds as set forth in the Pricing Certificate.

243 **SECTION 4: DELEGATION OF AUTHORITY TO PRICING**  
244 **OFFICER.**

245 As authorized by Chapter 1371, as amended, Texas Government Code, any  
246 Pricing Officer is authorized to act on behalf of the City in selling and delivering the  
247 Bonds in one or more series, as refunding bonds and carrying out the other  
248 procedures specified in this Ordinance, including determining the aggregate  
249 principal amount of the Bonds, the date of the Bonds, any additional or different  
250 designation or title by which the Bonds shall be known, the price at which the Bonds  
251 will be sold, the years in which the Bonds will mature, the principal amount to  
252 mature in each of such years, the rate of interest to be borne by each such maturity,  
253 the first interest payment date, the price and terms upon and at which the Bonds shall  
254 be subject to redemption prior to maturity at the option of the City, as well as any  
255 mandatory sinking fund redemption provisions, the designation of a paying  
256 agent/registrar, a Reserve Fund Requirement, if any, pertaining to the Bonds, the  
257 terms of any bond insurance applicable to the Bonds, and all other matters relating  
258 to the issuance, sale, and delivery of one or more Bonds all of which shall be  
259 specified in the Pricing Certificate pertaining to the Bonds, provided that:

260 (i) the aggregate original principal amount of any series of Bonds shall not  
261 exceed \$45,175,000;

262 (ii) the true interest cost rate for any series of Bonds shall not exceed  
263 5.00%;

264 (iii) the maximum maturity for any series of Bonds shall not extend beyond  
265 November 15, 2029;

266 (iv) the refunding of the Refunded Obligations through the issuance of bonds  
267 authorized by this Ordinance is in the best interest of the City to restructure a portion  
268 of the City's outstanding bonds and to terminate credit agreement obligations; and

269 (v) as permitted by Section 1207.008(b) of Chapter 1207, the manner in which  
270 the refunding of the Refunding Obligations is being executed (through the issuance  
271 of fixed rate obligations to, in part, refund variable rate obligations and to terminate  
272 interest rate swap agreement(s)) does not make it practicable to make the  
273 determination required by Section 1207.008(a)(2) of Chapter 1207 (with respect to  
274 the maximum amount by which the aggregate amount of payments which could be  
275 made on the bonds authorized by this Ordinance could exceed the aggregate amount  
276 of payments that would have been made under the terms of the Refunded  
277 Obligations).

278 The execution of a Pricing Certificate shall evidence the sale date of each  
279 Bond by the City to the Purchasers (defined in (b) of this Section).

280 (b) In establishing the aggregate principal amount of any series of Bonds,  
281 the Pricing Officer shall establish an amount not exceeding the amount authorized  
282 in Subsection (a)(i) above, which shall be sufficient in amount to provide for the  
283 purposes for which the Bonds are authorized and to pay costs of issuing the Bonds.  
284 This delegation shall expire if not exercised by the Pricing Officer by October 23,  
285 2026. The Bonds shall be sold by negotiated sale to the underwriter(s) named in the  
286 Pricing Certificate (the "Purchasers"), at such price and with and subject to such  
287 terms as set forth in the Pricing Certificate. A finding or determination made by the  
288 Pricing Officer acting under authority of this Ordinance with respect to all matters  
289 relating to the sale of the Bonds shall have the same force and effect as a finding or  
290 determination made by the City Council.

291 **SECTION 5: TERMS OF PAYMENT-PAYING AGENT/  
292 REGISTRAR.** The principal of, premium, if any, and the interest on the Bonds,  
293 due and payable by reason of maturity, redemption or otherwise, shall be payable  
294 only to the registered owners or holders of the Bonds (the "Holders") appearing on  
295 the registration and transfer books (the "Security Register") maintained by the  
296 Paying Agent/Registrar and the payment shall be in any coin or currency of the  
297 United States of America, which at the time of payment is legal tender for the

298 payment of public and private debts, and shall be without exchange or collection  
299 charges to the Holders.

300 The selection and appointment of the Paying Agent/Registrar for the Bonds  
301 shall be provided in the Pricing Certificate. The Security Register shall at all times  
302 be kept and maintained on behalf of the City by the Paying Agent/Registrar, all as  
303 provided in this Ordinance, in accordance with the terms and provisions of a “Paying  
304 Agent/Registrar Agreement”, substantially in the form attached as Exhibit A and  
305 such reasonable rules and regulations as the Paying Agent/Registrar and the City  
306 may prescribe. Each Pricing Officer is authorized to execute and deliver such  
307 Agreement in connection with the delivery of the Bonds. The City covenants to  
308 maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid  
309 and discharged, and any successor Paying Agent/Registrar shall be a bank, trust  
310 company, financial institution or other entity qualified and authorized to serve in  
311 such capacity and perform the duties and services of Paying Agent/Registrar. Upon  
312 any change in the Paying Agent/Registrar for the Bonds, the City agrees to promptly  
313 cause a written notice to be sent to each Holder by United States Mail, first class  
314 postage prepaid; this notice shall also give the address of the new Paying  
315 Agent/Registrar.

316 The principal of and premium, if any, on the Bonds are payable at the Stated  
317 Maturities or redemption of the Bonds, only upon presentation and surrender of the  
318 Bonds to the Paying Agent/Registrar at its designated offices as specified in the  
319 Pricing Certificate (the “Designated Payment/Transfer Office”). Interest on the  
320 Bonds shall be paid by the Paying Agent/Registrar to the Holders whose names  
321 appear in the Security Register at the close of business on the Record Date (the last  
322 Business Day of the month preceding each interest payment date) and interest  
323 payments shall be made (i) by check sent by United States Mail, first class postage  
324 prepaid, to the address of the Holder recorded in the Security Register or (ii) by such  
325 other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk  
326 and expense of, the Holder. If the date for the payment of the principal of or interest  
327 on the Bonds shall be a day other than a Business Day, then the date for that payment  
328 shall be the next succeeding day which is a Business Day; and payment on this date  
329 shall have the same force and effect as if made on the original date payment was  
330 due.

331 In the event of a non-payment of interest on one or more Stated Maturities on  
332 a scheduled payment date, which non-payment shall continue for thirty (30) days  
333 thereafter, a new record date for such interest payment for such Stated Maturity or

334 Maturities (a “Special Record Date”) will be established by the Paying  
335 Agent/Registrar, if and when funds for the payment of such interest have been  
336 received from the City. Notice of the Special Record Date and of the scheduled  
337 payment date of the past due interest (which shall be 15 days after the Special Record  
338 Date) shall be sent at least five (5) Business Days prior to the Special Record Date  
339 by United States Mail, first class postage prepaid, to the address of each Holder of  
340 such maturity or maturities appearing on the Security Register at the close of  
341 business on the last Business Day next preceding the date of mailing of such notice.

342 **SECTION 6: REDEMPTION.**

343 (a) Redemption. The Bonds may be subject to redemption prior to Stated  
344 Maturity accordance with details of the Bonds as set forth in a Pricing Certificate.

345 (b) Exercise of Redemption Option. At least forty-five (45) days prior to a  
346 redemption date for the Bonds (unless a shorter notification period is satisfactory to  
347 the Paying Agent/Registrar), the City shall notify the Paying Agent/Registrar of the  
348 decision to redeem Bonds, the principal amount of each Stated Maturity to be  
349 redeemed, and the date of redemption. The decision of the City to exercise the right  
350 to redeem Bonds shall be entered in the minutes of the governing body of the City.

351 (c) Selection of Bonds for Redemption. If less than all Outstanding Bonds  
352 of the same Stated Maturity are to be redeemed on a redemption date, the Paying  
353 Agent/Registrar shall treat such Bonds as representing the number of Bonds  
354 Outstanding, which is obtained by dividing the principal amount of such Bonds by  
355 \$5,000, and shall select the Bonds to be redeemed within such Stated Maturity by  
356 lot.

357 (d) Notice of Redemption. Not less than thirty (30) days prior to a  
358 redemption date for the Bonds, a notice of redemption shall be sent by United States  
359 Mail, first class postage prepaid, in the name of the City and at the City’s expense,  
360 to each Holder of a Bond to be redeemed in whole or in part at the address of the  
361 Holder appearing on the Security Register at the close of business on the Business  
362 Day next preceding the date of mailing such notice, and any notice of redemption so  
363 mailed shall be conclusively presumed to have been given irrespective of whether  
364 received by the Holder.

365 All notices of redemption shall (i) specify the date of redemption for the  
366 Bonds, (ii) identify the Bonds to be redeemed and, in the case of a portion of the  
367 principal amount to be redeemed, the principal amount to be redeemed, (iii) state the

368 redemption price, (iv) state that the Bonds, or the portion of the principal amount to  
369 be redeemed, shall become due and payable on the redemption date specified, and  
370 the interest on the Bonds, or on the portion of the principal amount of the Bonds to  
371 be redeemed, shall cease to accrue from and after the redemption date, and (v)  
372 specify that payment of the redemption price for the Bonds, or the principal amount  
373 to be redeemed, shall be made at the Designated Payment/Transfer Office of the  
374 Paying Agent/Registrar only upon presentation and surrender by the Holder. If a  
375 Bond is subject by its terms to prior redemption and has been called for redemption  
376 and notice of redemption has been given or waived as provided in this Ordinance,  
377 that Bond (or the principal amount to be redeemed) shall become due and payable,  
378 and interest shall cease to accrue from and after the redemption date, provided  
379 moneys sufficient for the payment of these Bonds (or of the principal amount thereof  
380 to be redeemed) at the then applicable redemption price are held for the purpose of  
381 such payment by the Paying Agent/Registrar.

382 (e) Conditional Notice of Redemption. With respect to any optional  
383 redemption of the Bonds, unless moneys sufficient to pay the principal of and  
384 premium, if any, and interest on the Bonds to be redeemed shall have been received  
385 by the Paying Agent/Registrar prior to the giving of notice of redemption, the notice  
386 may state that the redemption is conditional upon the receipt of the moneys by the  
387 Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon  
388 the satisfaction of any prerequisites set forth in such notice of redemption; and, if  
389 such prerequisites are not made or sufficient moneys are not received, such notice  
390 shall be of no force and effect, the City shall not redeem such Bonds and the Paying  
391 Agent/Registrar shall give notice, in the manner in which the notice of redemption  
392 was given, to the effect that the Bonds have not been redeemed.

393 **SECTION 7: REGISTRATION - TRANSFER - EXCHANGE OF**  
394 **BONDS - PREDECESSOR BONDS.** The Paying Agent/Registrar shall obtain,  
395 record, and maintain in the Security Register the name and address of each Holder  
396 of the Bonds issued under of this Ordinance. Any Bond may, in accordance with its  
397 terms and the terms of this Ordinance, be transferred or exchanged for Bonds of  
398 other authorized denominations upon the Security Register by the Holder, in person  
399 or by his authorized agent, upon surrender of such Bond to the Paying  
400 Agent/Registrar for cancellation, accompanied by a written instrument of transfer or  
401 request for exchange executed by the Holder or by his authorized agent, in form  
402 satisfactory to the Paying Agent/Registrar.

403           Upon surrender for transfer of any Bond (other than the Initial Bond(s))  
404 authorized in Section 10 of this Ordinance) at the Designated Payment/Transfer  
405 Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and  
406 deliver, in the name of the designated transferee or transferees, one or more new  
407 Bonds, executed on behalf of, and furnished by, the City of authorized  
408 denominations and of like Stated Maturity and of a like aggregate principal amount  
409 as the Bond or Bonds surrendered for transfer.

410           At the option of the Holder, Bonds (other than the Initial Bond(s)) authorized  
411 in Section 10 of this Ordinance) may be exchanged for other Bonds of authorized  
412 denominations and having the same Stated Maturity, bearing the same rate of interest  
413 and of like aggregate principal amount as the Bonds surrendered for exchange, upon  
414 surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office  
415 of the Paying Agent/Registrar. Whenever any Bonds are surrendered for exchange,  
416 the Paying Agent/Registrar shall register and deliver new Bonds, executed on behalf  
417 of, and furnished by, the City, to the Holder requesting the exchange.

418           All Bonds issued upon any such transfer or exchange shall be delivered at the  
419 Designated Payment/Transfer Office of the Paying Agent/Registrar, or sent by  
420 United States Mail, first class postage prepaid, to the Holder and, upon the delivery  
421 thereof, the same shall be valid obligations of the City, evidencing the same  
422 obligation to pay, and entitled to the same benefits under this Ordinance, as the  
423 Bonds surrendered in such transfer or exchange.

424           All transfers or exchanges of Bonds pursuant to this Section shall be made  
425 without expense or service charge to the Holder, except as otherwise provided in this  
426 Ordinance, and except that the Paying Agent/Registrar shall require payment by the  
427 Holder requesting such transfer or exchange of any tax or other governmental  
428 charges that are required to be paid for the transfer or exchange.

429           Bonds cancelled by reason of an exchange or transfer pursuant to this  
430 Ordinance are defined to be "Predecessor Bonds," evidencing all or a portion of the  
431 same obligation to pay evidenced by the Bond or Bonds registered and delivered in  
432 the exchange or transfer. Additionally, the term "Predecessor Bonds" includes any  
433 mutilated, lost, destroyed, or stolen Bond for which a replacement Bond has been  
434 issued, registered and delivered in lieu of the Bond pursuant to Section 25 of this  
435 Ordinance and such new replacement Bond shall be deemed to evidence the same  
436 obligation as the mutilated, lost, destroyed, or stolen Bond.

437 Neither the City nor the Paying Agent/Registrar shall be required to transfer  
438 or exchange any Bond called for redemption, in whole or in part, within 45 days of  
439 the date fixed for redemption of such Bond; however, this limitation of transfer shall  
440 not be applicable to an exchange by the Holder of the unredeemed balance of a Bond  
441 called for redemption in part.

442 **SECTION 8: BOOK-ENTRY ONLY TRANSFERS AND**  
443 **TRANSACTIONS.** Notwithstanding the provisions contained in Sections 5, 6 and  
444 7 of this Ordinance relating to the payment, redemption and transfer/exchange of the  
445 Bonds, the City approves and authorizes the use of the “Book-Entry Only” securities  
446 clearance, settlement and transfer system provided by The Depository Trust  
447 Company (“DTC”), a limited purpose trust company organized under the laws of the  
448 State of New York, in accordance with the operational arrangements referenced in  
449 the Blanket Issuer Letter of Representations, by and between the City and DTC (the  
450 “Depository Agreement”).

451 Pursuant to the Depository Agreement and the rules of DTC, the Bonds shall  
452 be deposited with DTC, who shall hold the Bonds for its participants (the “DTC  
453 Participants”). While the Bonds are held by DTC under the Depository Agreement,  
454 the Holder of the Bonds on the Security Register for all purposes, including payment  
455 and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the  
456 ownership of each actual purchaser or owner of each Bond (the “Beneficial  
457 Owners”) being recorded in the records of DTC and DTC Participants.

458 In the event DTC determines to discontinue serving as securities depository  
459 for the Bonds or otherwise ceases to provide book-entry clearance and settlement of  
460 securities transactions in general or the City determines that DTC is incapable of  
461 properly discharging its duties as securities depository for the Bonds, the City  
462 covenants and agrees with the Holders to cause Bonds to be printed in definitive  
463 form and provide for Bond certificates to be issued and delivered to DTC  
464 Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in  
465 definitive form shall be assigned, transferred and exchanged on the Security Register  
466 maintained by the Paying Agent/Registrar and payment of such Bonds shall be made  
467 in accordance with the provisions of Sections 5, 6, and 7 of this Ordinance.

468 **SECTION 9: EXECUTION - REGISTRATION.** The Bonds shall be  
469 executed on behalf of the City by the Mayor or Mayor Pro Tem under its seal  
470 reproduced or impressed on the Bonds and countersigned by the City Clerk. The  
471 signature of these officers on the Bonds may be manual or facsimile. Bonds bearing

472 the manual or facsimile signatures of individuals who are or were the proper officers  
473 of the City on the Bond Date shall be deemed to be executed on behalf of the City,  
474 notwithstanding that any of these individuals shall cease to hold office at the time of  
475 delivery of the Bonds to the initial purchaser(s) and with respect to Bonds delivered  
476 in subsequent exchanges and transfers, all as authorized and provided in Chapter  
477 1201, as amended, Texas Government Code.

478 No Bond shall be entitled to any right or benefit under this Ordinance, or be  
479 valid or obligatory for any purpose, unless there appears on such Bond either a  
480 certificate of registration substantially in the form provided in Section 11(c),  
481 manually executed by the Comptroller of Public Accounts of the State of Texas or  
482 an authorized agent, or a certificate of registration substantially in the form provided  
483 in Section 11(d), manually executed by an authorized officer, employee or  
484 representative of the Paying Agent/Registrar, and either such certificate upon any  
485 Bond signed shall be conclusive evidence, and the only evidence, that such Bond  
486 has been certified, registered and delivered.

487 **SECTION 10: INITIAL BOND(S).** The Bonds shall be initially issued  
488 either (i) as a single fully registered bond in the total principal amount shown in  
489 Section 1 hereof, with principal installments to become due and payable as provided  
490 in Section 2 hereof and numbered T-1, or (ii) as multiple fully registered bonds,  
491 being one bond for each year of maturity in the applicable principal amount and  
492 denomination and to be numbered consecutively from T-1 and upward (the “Initial  
493 Bond(s)”) and, in either case, the Initial Bond(s) shall be registered in the name of  
494 the initial purchaser(s) or the designee thereof. The Initial Bond(s) shall be the  
495 Bonds submitted to the Office of the Attorney General of the State of Texas for  
496 approval, certified and registered by the Office of the Comptroller of Public  
497 Accounts of the State of Texas and delivered to the initial purchaser(s). Any time  
498 after the delivery of the Initial Bond(s), the Paying Agent/Registrar, pursuant to  
499 written instructions from the initial purchaser(s), or the purchaser’s designee, shall  
500 cancel the Initial Bond(s) delivered and exchange them for definitive Bonds of  
501 authorized denominations, Stated Maturities, principal amounts and bearing  
502 applicable interest rates for transfer and delivery to the Holders named at the  
503 addresses the Holders identified all pursuant to and in accordance with such written  
504 instructions from the initial purchaser(s), or the purchaser’s designee, and such other  
505 information and documentation as the Paying Agent/Registrar may reasonably  
506 require.

507           **SECTION 11: FORMS.** (a) Forms Generally. The Bonds, the  
508 Registration Certificate of the Comptroller of Public Accounts of the State of Texas,  
509 the Certificate of Registration, and the form of Assignment to be printed on each of  
510 the Bonds, shall be substantially in the forms set forth in this Section with such  
511 appropriate insertions, omissions, substitutions, and other variations as are permitted  
512 or required by this Ordinance and may have such letters, numbers, or other marks of  
513 identification (including identifying numbers and letters of the Committee on  
514 Uniform Securities Identification Procedures of the American Bankers Association)  
515 and such legends and endorsements (including legends reflecting the purchase of  
516 insurance for payment of the Bonds and any reproduction of an opinion of counsel)  
517 on the Bonds as may be established by the City or determined by the officers  
518 executing such Bonds as evidenced by their execution. Any portion of the text of  
519 any Bonds may be set forth on the of the Bond, with an appropriate reference on the  
520 face of the Bond.

521           The definitive Bonds and the Initial Bond(s) shall be printed, lithographed,  
522 engraved, typewritten, photocopied or otherwise reproduced in any other similar  
523 manner, all as determined by the officers executing such Bonds as evidenced by their  
524 execution.

525

526 (b) Form of Definitive Bond.

527 REGISTERED

REGISTERED

528 NO. \_\_\_\_\_

\$ \_\_\_\_\_

529

530

UNITED STATES OF AMERICA

531

STATE OF TEXAS

532

CITY OF AUSTIN, TEXAS

533

HOTEL OCCUPANCY TAX REVENUE REFUNDING BONDS (SEPARATE

534

VENUE LIEN), SERIES 2025

535

Bond Date:

Interest Rate:

Stated Maturity:

CUSIP No.:

[\_\_\_\_\_] [\_\_],

\_\_\_\_\_%

November 15, 20[\_\_\_]

\_\_\_\_\_

202[\_\_\_]

536 Registered Owner:

537 Principal Amount:

DOLLARS

538

539

540

541

542

543

544

545

546

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554

The City of Austin (the "City"), a body corporate and municipal corporation in the Counties of Travis, Williamson and Hays, State of Texas, for value received, hereby promises to pay to the order of the Registered Owner named above, or the registered assigns thereof, solely from the revenues identified in this Bond, on the Stated Maturity date specified above the Principal Amount stated above (or so much thereof as shall not have been paid upon prior redemption) and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on the unpaid Principal Amount hereof from the Closing Date at the per annum rate of interest specified above; such interest being payable on May 15 and November 15 of each year, commencing May 15, 2026, until maturity or prior redemption. Principal of this Bond is payable at its Stated Maturity or redemption to the registered owner hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor; provided, however, while this Bond is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount hereof may be accomplished without presentation and surrender of this Bond. Interest is payable to the registered owner of this Bond (or one or more Predecessor

555 Bonds, as defined in the Ordinance) whose name appears on the “Security Register”  
556 maintained by the Paying Agent/Registrar at the close of business on the “Record  
557 Date”, which is the last Business Day of the month next preceding each interest  
558 payment date, and interest shall be paid by the Paying Agent/Registrar by check sent  
559 United States Mail, first class postage prepaid, to the address of the registered owner  
560 recorded in the Security Register on the Record Date or by such other method  
561 acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense  
562 of, the registered owner. If the date for the payment of the principal of or interest on  
563 the Bonds shall be a day other than a Business Day, then the date for such payment  
564 shall be the next succeeding day which is a Business Day; and payment on such date  
565 shall have the same force and effect as if made on the original date payment was  
566 due. All payments of principal of, premium, if any, and interest on this Bond shall  
567 be without exchange or collection charges to the registered owner hereof and in any  
568 coin or currency of the United States of America which at the time of payment is  
569 legal tender for the payment of public and private debts.

570 This Bond is one of the series specified in its title issued in the aggregate  
571 principal amount of \$[\_\_\_\_\_] (the “Bonds”) for the purpose of refinancing and  
572 refunding the Refunded Obligations and paying costs of issuance, under and in strict  
573 conformity with the Constitution and laws of the State of Texas, including Chapter  
574 1207, as amended, Texas Government Code, Chapter 1371, as amended, Texas  
575 Government Code, and Chapter 334, as amended, Texas Local Government Code,  
576 and pursuant to an Ordinance adopted by the governing body of the City (the  
577 “Ordinance”).

578 At least thirty days prior to the date fixed for any redemption of Bonds, the  
579 City shall cause a written notice of such redemption to be sent by United States Mail,  
580 first class postage prepaid, to the registered owners of each Bond to be redeemed at  
581 the address shown on the Security Register and subject to the terms and provisions  
582 relating thereto contained in the Ordinance. If a Bond (or any portion of its principal  
583 sum) shall have been called for redemption and notice of such redemption given,  
584 then upon such redemption date such Bond (or the portion of its principal sum to be  
585 redeemed) shall become due and payable, and interest thereon shall cease to accrue  
586 from and after the redemption date therefor, provided moneys for the payment of the  
587 redemption price and the interest on the principal amount to be redeemed to the date  
588 of redemption are held for the purpose of such payment by the Paying  
589 Agent/Registrar.

590 In the event a portion of the principal amount of a Bond is to be redeemed and  
591 the registered owner is someone other than Cede & Co., payment of the redemption  
592 price of such principal amount shall be made to the registered owner only upon  
593 presentation and surrender of such Bond to the Designated Payment/Transfer Office  
594 of the Paying Agent/Registrar, and a new Bond or Bonds of like maturity and interest  
595 rate in any authorized denominations provided by the Ordinance for the then  
596 unredeemed balance of the principal sum thereof will be issued to the registered  
597 owner, without charge. If a Bond is selected for redemption, in whole or in part, the  
598 City and the Paying Agent/Registrar shall not be required to transfer such Bond to  
599 an assignee of the registered owner within 45 days of the redemption date therefor;  
600 provided, however, such limitation on transferability shall not be applicable to an  
601 exchange by the registered owner of the unredeemed balance of a Bond redeemed  
602 in part.

603 The Bonds are special obligations of the City payable solely from and,  
604 together with the other Parity Obligations executed and delivered in connection with  
605 the issuance of the Bonds, equally and ratably secured by a first and prior lien on  
606 and pledge of, the Pledged Revenues in the manner provided in the Ordinance.  
607 Additionally, the Bonds shall be equally and ratably secured by a lien on the funds,  
608 if any, deposited to the credit of the Bond Fund and the Reserve Fund (if applicable)  
609 in accordance with the terms of the Ordinance. The Bonds do not constitute a legal  
610 or equitable pledge, charge, lien or encumbrance upon any property of the City,  
611 except with respect to the Pledged Revenues. The holder hereof shall never have  
612 the right to demand payment of this obligation out of any funds raised or to be raised  
613 by ad valorem taxation.

614 Reference is hereby made to the Ordinance, a copy of which is on file in the  
615 Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the  
616 provisions of which the Holder by the acceptance hereof hereby assents, for  
617 definitions of terms; the description of and the nature and extent of the security for  
618 the Bonds; the Pledged Revenues pledged to the payment of the Bonds; the nature  
619 and extent and manner of enforcement of the lien and pledge securing the payment  
620 of the Bonds; the terms and conditions for the issuance of additional revenue  
621 obligations; the terms and conditions relating to the transfer or exchange of this  
622 Bond; the conditions upon which the Ordinance may be amended or supplemented;  
623 the rights, duties, and obligations of the City and the Paying Agent/Registrar; the  
624 terms and provisions upon which the liens, pledges, charges and covenants made in  
625 the Ordinance may be discharged at or prior to the Stated Maturity of this Bond, and  
626 this Bond deemed to be no longer Outstanding thereunder; and for the other terms

627 and provisions contained in the Ordinance. Capitalized terms used in this Bond have  
628 the same meanings assigned in the Ordinance.

629 This Bond, subject to certain limitations contained in the Ordinance, may be  
630 transferred on the Security Register only upon its presentation and surrender at the  
631 Designated Payment/Transfer Office of the Paying Agent/Registrar, with the  
632 Assignment hereon endorsed by, or accompanied by a written instrument of transfer  
633 in form satisfactory to the Paying Agent/Registrar executed by, the registered owner  
634 hereof, or his authorized agent. When a transfer on the Security Register occurs,  
635 one or more new fully registered Bonds of the same Stated Maturity, of authorized  
636 denominations, bearing the same rate of interest, and of the same aggregate principal  
637 amount will be issued by the Paying Agent/Registrar to the designated transferee or  
638 transferees.

639 The City and the Paying Agent/Registrar, and any agent of either, may treat  
640 the registered owner hereof whose name appears on the Security Register (i) on the  
641 Record Date as the owner entitled to payment of interest hereon, (ii) on the date of  
642 surrender of this Bond as the owner entitled to payment of principal hereof at its  
643 Stated Maturity or its redemption, in whole or in part, and (iii) on any other date as  
644 the owner for all other purposes, and neither the City nor the Paying Agent/Registrar,  
645 or any agent of either, shall be affected by notice to the contrary. In the event of  
646 non-payment of interest on one or more maturities on a scheduled payment date,  
647 which non-payment shall have continued for thirty (30) days thereafter, a new record  
648 date for such interest payment for such maturity or maturities (a "Special Record  
649 Date") will be established by the Paying Agent/Registrar, if and when funds for the  
650 payment of such interest have been received from the City. Notice of the Special  
651 Record Date and of the scheduled payment date of the past due interest (which shall  
652 be 15 days after the Special Record Date) shall be sent at least five (5) Business Days  
653 prior to the Special Record Date by United States Mail, first class postage prepaid,  
654 to the address of each Holder of such maturity or maturities appearing on the  
655 Security Register at the close of business on the last Business Day next preceding  
656 the date of mailing of such notice.

657 It is hereby certified, recited, represented and covenanted that the City is an  
658 organized and legally existing municipal corporation under and pursuant to the  
659 Constitution and laws of the State of Texas; that the issuance of the Bonds is  
660 authorized by law; that all acts, conditions and things required to exist and be done  
661 precedent to and in the issuance of the Bonds to render the same lawful and valid  
662 obligations of the City have been properly done, have happened and have been

663 performed in regular and due time, form and manner as required by the Constitution  
664 and laws of the State of Texas and the Ordinance; that the Bonds do not exceed any  
665 constitutional or statutory limitation; and that due provision has been made for the  
666 payment of the Bonds by a pledge of the Pledged Revenues. In case any provision  
667 in this Bond or any application thereof shall be invalid, illegal, or unenforceable, the  
668 validity, legality, and enforcement of the remaining provisions and applications shall  
669 not in any way be affected or impaired thereby. The terms and provisions of this  
670 Bond and the Ordinance shall be construed in accordance with and shall be governed  
671 by the laws of the State of Texas.

672 IN WITNESS WHEREOF, the City Council of the City has caused this Bond  
673 to be executed under the official seal of the City as of the Bond Date.

674 CITY OF AUSTIN, TEXAS

675  
676  
677  
678 \_\_\_\_\_  
Mayor

679 COUNTERSIGNED:

680  
681  
682 \_\_\_\_\_  
683 City Clerk

684  
685 (SEAL)

686

687 (c) Form of Registration Certificate of Comptroller of Public Accounts  
688 to Appear on Initial Bond(s) only.

689 REGISTRATION CERTIFICATE OF  
690 COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER )  
 )  
 OF PUBLIC ACCOUNTS ) REGISTER NO.  
 )  
 THE STATE OF TEXAS )

691 I HEREBY CERTIFY that this Bond has been examined, certified as to  
692 validity and approved by the Attorney General of the State of Texas, and registered  
693 by the Comptroller of Public Accounts of the State of Texas.

694 WITNESS my signature and seal of office this \_\_\_\_\_.

695 \_\_\_\_\_  
696 Acting Comptroller of Public Accounts  
697 of the State of Texas

698 (SEAL)

699 (d) Form of Certificate of Paying Agent/Registrar to Appear on Definitive  
700 Bonds only.

701 REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

702 This Bond has been issued and registered in the name of the Registered Owner  
703 shown above under the provisions of the within-mentioned Ordinance; the bond or  
704 bonds of the above entitled and designated series originally delivered having been  
705 approved by the Attorney General of the State of Texas and registered by the  
706 Comptroller of Public Accounts, as shown by the records of the Paying  
707 Agent/Registrar.

708 The designated office of the Paying Agent/Registrar in [\_\_\_\_\_,  
709 \_\_\_\_\_] is the Designated Payment/Transfer Office for this Bond.

710 [\_\_\_\_\_,  
711 as Paying Agent/Registrar

712 Registration date: \_\_\_\_\_ By \_\_\_\_\_  
713 \_\_\_\_\_ Authorized Signature

714 (e) Form of Assignment.

715 ASSIGNMENT

716 FOR VALUE RECEIVED the undersigned sells,  
717 assigns, and transfers unto (Print or typewrite name, address, and zip code of  
718 transferee): \_\_\_\_\_

719 \_\_\_\_\_  
720 (Social Security or other identifying number ( \_\_\_\_\_  
721 \_\_\_\_\_) the within Bond and all rights under this Bond, and  
722 irrevocably constitutes and appoints \_\_\_\_\_  
723 attorney to transfer the within Bond on the books kept for registration of the Bonds,  
724 with full power of substitution in the premises.

DATED: \_\_\_\_\_

\_\_\_\_\_  
Signature guaranteed:

NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular.

725 (f) The Initial Bond(s) shall be in the form set forth in paragraph (b) of this  
726 Section, except that the form of a single fully registered Initial Bond shall be  
727 modified as follows:

728

729 Heading and paragraph one shall be amended to read as follows:

730 REGISTERED  
731 NO. T-1

REGISTERED  
\$[\_\_\_\_\_]

732 UNITED STATES OF AMERICA  
733 STATE OF TEXAS  
734 CITY OF AUSTIN, TEXAS  
735 HOTEL OCCUPANCY TAX REVENUE REFUNDING BONDS (SEPARATE  
736 VENUE LIEN), SERIES 2025  
737

Bond Date:  
[\_\_\_\_\_] [\_\_\_\_],  
20[\_\_\_\_]

738 Registered Owner: [\_\_\_\_\_]

739 Principal Amount: [\_\_\_\_\_] DOLLARS

740 The City of Austin (the "City"), a body corporate and municipal corporation  
741 in the Counties of Travis, Williamson and Hays, State of Texas, for value received,  
742 hereby promises to pay to the order of the Registered Owner named above, or the  
743 registered assigns thereof, solely from the revenues identified in this Bond, the  
744 Principal Amount stated above on November 15 in each of the years and in principal  
745 installments in accordance with the following schedule:

YEAR	PRINCIPAL INSTALLMENTS	INTEREST RATE(S)
------	---------------------------	---------------------

746 (Information to be inserted from schedule in the Pricing Certificate).

747 (or so much thereof as shall not have been prepaid prior to maturity) and to pay  
748 interest on the unpaid principal amounts hereof from the Closing Date at the per  
749 annum rates of interest specified above computed on the basis of a 360-day year of  
750 twelve 30-day months; such interest being payable on May 15 and November 15 of  
751 each year, commencing May 15, 2026, until maturity or prior redemption. Principal  
752 installments of this Bond are payable in the year of maturity or on a redemption date

753 to the registered owner hereof, by [\_\_\_\_\_] (the “Paying  
754 Agent/Registrar”), upon presentation and surrender, at its designated offices in  
755 [\_\_\_\_\_, \_\_\_\_\_] (the “Designated Payment/Transfer Office”). Interest  
756 is payable to the registered owner of this Bond whose name appears on the “Security  
757 Register” maintained by the Paying Agent/Registrar at the close of business on the  
758 “Record Date”, which is the last Business Day of the month next preceding each  
759 interest payment date, and interest shall be paid by the Paying Agent/Registrar by  
760 check sent United States Mail, first class postage prepaid, to the address of registered  
761 owner recorded in the Security Register on the Record Date or by such other method  
762 acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense  
763 of, the registered owner. All payments of principal of, premium, if any, and interest  
764 on this Bond shall be without exchange or collection charges to the owner or holder  
765 hereof and in any coin or currency of the United States of America which at the time  
766 of payment is legal tender for the payment of public and private debts.

767       **SECTION 12: PLEDGE AND SOURCE OF PAYMENT.** The Bonds  
768 and other Parity Obligations shall constitute special obligations of the City payable  
769 from and equally and ratably secured by a first and prior lien on the Pledged  
770 Revenues. Such Pledged Revenues, or other lawfully available funds of the City,  
771 shall, in the manner provided in this Ordinance, be set aside for and pledged to the  
772 payment of the Parity Obligations, and all expenses of providing for their full and  
773 timely payment in accordance with their terms, in the Bond Fund and the Reserve  
774 Fund as provided in this Ordinance. The City grants a lien on the Pledged Revenues  
775 and Bond Fund to secure the payment of principal of and premium, if any, and  
776 interest on the Bonds and all other payments due on the Parity Obligations; and the  
777 City further grants a lien on the Reserve Fund to secure the payment of principal of  
778 and premium, if any, and interest on the Bonds. Except as otherwise expressly  
779 provided by their terms, all Parity Obligations shall be in all respects on a parity with  
780 and of equal dignity with one another. The liens granted under this Ordinance shall  
781 be valid and binding and fully perfected after the date of adoption of this Ordinance  
782 without physical delivery or transfer of control of the Pledged Revenues, the filing  
783 of this Ordinance or any other act; all as provided in Chapter 1208 of the Texas  
784 Government Code. The Holders of the Bonds and the beneficiaries of the other  
785 Parity Obligations shall never have the right to demand payment of the principal of,  
786 interest on or any redemption premium on the Bonds (or payment of other amounts  
787 owed by the City in respect of other Parity Obligations) out of any funds raised or to  
788 be raised by taxation, other than the Pledged Revenues.

789           If Texas law is amended at any time while the Bonds and Parity Obligations  
790 related to the Bonds are Outstanding such that the pledge of the Pledged Revenues  
791 granted by the City under this Section 12 is to be subject to the filing requirements  
792 of Chapter 9, Business & Commerce Code, or other law, then to preserve to the  
793 registered owners of the Bonds the perfection of the security interest in said pledge,  
794 the City agrees to take such measures as it determines are reasonable and necessary  
795 under Texas law to comply with the applicable filing requirements to continue the  
796 perfection of such security interest.

797           **SECTION 13:     LEVY OF VENUE HOTEL OCCUPANCY TAX.**

798           The City has levied, and while any Parity Obligations remain Outstanding the  
799 City levies and covenants that it shall continue to levy, a Venue Hotel Occupancy  
800 Tax on the cost of occupancy of any sleeping room furnished by any hotel within  
801 the corporate limits of the City, in which the cost of occupancy is \$2.00 or more each  
802 day, at a rate of at least 2% of the consideration paid by the occupant of the sleeping  
803 room to the hotel, to finance or refinance the costs of the Convention Center/Waller  
804 Creek Venue Project, all to the extent authorized by Chapter 334, as amended, Texas  
805 Local Government Code, particularly Subchapter H and an election held in the City  
806 on May 2, 1998. The City further covenants that it shall enforce the provisions of  
807 this Ordinance and Ordinance No. 980709-G, or any other ordinance levying a hotel  
808 occupancy tax, concerning the collection, remittance and payment of the Venue  
809 Hotel Occupancy Tax.

810

811           **SECTION 14:    SPECIAL FUNDS.**

812           Venue Hotel Occupancy Tax Special Funds. The City confirms the prior  
813 establishment of the Venue Project Fund maintained at an official depository of the  
814 City for the Convention Center/Waller Creek Venue Project in accordance with  
815 Section 334.042, as amended, Texas Local Government Code, and pursuant to  
816 Ordinance No. 980709-G.

817           Such fund may also include any additional accounts or subaccounts as may  
818 from time to time be designated by the City, including specifically rebate accounts  
819 or subaccounts for accumulating rebatable arbitrage payable to the federal  
820 government, provided such accounts or subaccounts are not inconsistent with this  
821 Ordinance.

822           **SECTION 15:    FLOW OF FUNDS.**

823           Flow of Funds Regarding Venue Hotel Occupancy Tax. The City covenants  
824 and agrees that all receipts and revenues collected and received by the City from the  
825 Venue Hotel Occupancy Tax shall be deposited to the credit of the Venue Project  
826 Fund. Following the issuance of the Bonds and while Parity Obligations remain  
827 Outstanding, money from time to time credited to the Venue Project Fund shall be  
828 applied as follows in the following order of priority:

829                   First, to transfer to the Bond Fund all amounts necessary to  
830 provide for the payment of the Bonds and Parity Obligations related to  
831 the Bonds.

832                   Second, to transfer to the Reserve Fund the amounts required, if  
833 any, pursuant to Section 16 of this Ordinance.

834                   Third, for other lawful purposes authorized by the Bond Act.

835           **SECTION 16:    Bond Fund.** The City covenants and agrees that before  
836 each Interest Payment Date, stated maturity date and mandatory redemption date for  
837 the Bonds (and before the dates payments are due on other Parity Obligations) there  
838 shall be deposited into the Bond Fund, which is to be an Eligible Account held for  
839 the benefit of the Parity Obligations, from the Pledged Revenues, an amount equal  
840 to one hundred percent (100%) of the amount required to fully pay the amount then  
841 due and payable on the Parity Obligations, and such deposits shall be made in  
842 substantially equal quarterly installments (based on the total annual Debt Service

843 Requirements to be paid on the Parity Obligations divided by the number of Transfer  
844 Dates to occur during the period covered by such calculation) on or before each  
845 Transfer Date, beginning on the first Transfer Date to occur after the delivery of the  
846 Bonds.

847 In addition, on each Transfer Date, the City covenants and agrees to cause to  
848 be deposited into the Bond Fund from the Pledged Revenues an amount calculated  
849 to pay all expenses of providing for the full and timely payment of the principal of,  
850 premium, if any, and interest on the Bonds in accordance with their terms, including  
851 without limitation, all fees charged or incurred for paying agent/registrar services  
852 rendered in connection with the Bonds.

853 Money credited to the Bond Fund shall be used solely for the purpose of  
854 paying on a *pari passu* basis (except as otherwise provided) principal (at maturity or  
855 to purchase Bonds issued as term bonds in the open market to be credited against  
856 mandatory redemption requirements), interest and redemption premiums on Bonds  
857 and all other amounts due on other Parity Obligations, plus all other charges, costs  
858 and expenses relating to such payment, including those described in the preceding  
859 paragraph. On the Business Day immediately preceding each payment due date for  
860 the Parity Obligations, the City shall transfer from the Bond Fund and Reserve Fund,  
861 if necessary, to the appropriate paying agent/registrar amounts equal to the amounts  
862 due on the Parity Obligations on such date.

863 The City may establish and utilize such accounts within the Bond Fund as it  
864 may, from time to time, deem appropriate.

865 **SECTION 17: RESERVE FUND.**

866 (a) The Reserve Fund may be established for the benefit of the Bonds. If  
867 required, the City shall establish and maintain a balance in the Reserve Fund equal  
868 to the Reserve Fund Requirement. In addition to or in lieu of cash on deposit in the  
869 Reserve Fund, the Reserve Fund Requirement may be funded by a Reserve Fund  
870 Surety Bond issued by an insurance company or other entity that is rated as of the  
871 date of acquisition of the Reserve Fund Surety Bond (either for the long term  
872 unsecured debt of the issuer of such Reserve Fund Surety Bond or for obligations  
873 insured, secured or guaranteed by such issuer) in either of the two highest letter  
874 categories by two major municipal securities credit rating services.

875 (b) In accordance with the provisions of the ordinance authorizing the  
876 issuance of the Refunded Bonds, there is currently on deposit in the Reserve Fund

877 the sum of \$10,263,016.24 (the “Current Reserve Amount”). By reason of the  
878 issuance of the Bonds, the total amount to be accumulated and maintained as the  
879 Reserve Fund Requirement, if any, will be specified in the Pricing Certificate. The  
880 difference between the Reserve Fund Requirement and the Current Reserve Amount  
881 will be contributed to the refunding of the Refunded Obligations.

882 (c) In any Transfer Period in which the Reserve Fund contains less than the  
883 Reserve Fund Requirement, or in which the City is obligated to repay or reimburse  
884 any issuer of a Reserve Fund Surety Bond (in the event such Reserve Fund Surety  
885 Bond is drawn upon), then after making all required transfers to the Bond Fund, there  
886 shall be transferred into the Reserve Fund from the available Pledged Revenues on  
887 each Transfer Date amounts necessary to reestablish the Reserve Fund Requirement  
888 and satisfy any repayment obligations to the issuer of any Reserve Fund Surety  
889 Bond. After such amount has been accumulated in the Reserve Fund and after  
890 satisfying any repayment obligation to any Reserve Fund Surety Bond issuer and so  
891 long thereafter as such fund contains such amount and all such repayment  
892 obligations have been satisfied, no further transfers shall be required to be made, and  
893 any excess amounts in such fund may be transferred to the Bond Fund. But, if and  
894 whenever the balance in the Reserve Fund is reduced below the Reserve Fund  
895 Requirement, or any Reserve Fund Surety Bond repayment obligations arise,  
896 transfers to the Reserve Fund shall be resumed and continued in the manner stated  
897 above to restore the Reserve Fund Requirement and to pay such reimbursement  
898 obligations.

899 (d) The Reserve Fund shall be used to pay the principal of and interest on  
900 the Bonds at any time when there is not sufficient money available in the Bond Fund  
901 for such purpose and to make any payments required to satisfy repayment  
902 obligations to issuers of Reserve Fund Surety Bonds, and may also be used to make  
903 the final payments for the retirement or defeasance of the Bonds.

904 (e) If a Pricing Officer determines that doing so would be in the best  
905 interest of the City, the Reserve Fund Requirement may be funded wholly or partly  
906 by a Reserve Fund Surety Bond selected by a Pricing Officer (the “Surety Bond  
907 Issuer”). A Pricing Officer may approve the terms and form of the Reserve Fund  
908 Surety Bond and of a guaranty or other agreement pursuant to which the City is  
909 obligated to pay premiums, fees, and reimbursement obligations owing to the Surety  
910 Bond Issuer (a “Guaranty Agreement”). In connection with a Reserve Fund Surety  
911 Bond and any Additional Bonds that are Bonds, the City, the Paying Agent/Registrar  
912 and the Surety Bond Issuer may approve procedures providing for a reasonable

913 allocation among Reserve Fund Surety Bonds and funds held in the Reserve Fund  
914 to make payments on Bonds and to provide for repayments to Surety Bond Issuers.

915 **SECTION 18: DEFICIENCIES IN FUNDS OR ACCOUNTS.**

916 Subject to satisfying the required payments for the benefit of the Bonds in  
917 accordance with the ordinance authorizing their issuance, if on any Transfer Date  
918 there shall not be transferred into any fund or account maintained pursuant to this  
919 Ordinance the full amounts required in this Ordinance, amounts equivalent to such  
920 deficiency shall be set apart and transferred to such fund or account from the first  
921 available and unallocated Pledged Revenues, and such transfer shall be in addition  
922 to the amounts otherwise required to be transferred to such fund or account on any  
923 succeeding Transfer Date or Transfer Dates.

924 **SECTION 19: INVESTMENT OF FUNDS; TRANSFER OF**  
925 **INVESTMENT INCOME.**

926 (a) Money in all funds shall, at the option of the City, be invested in the  
927 manner provided by Texas law and the City's investment policy; except all such  
928 deposits and investments shall be made in such manner that the money required to  
929 be expended from any fund will be available at the proper time or times. All such  
930 investments shall be valued no less frequently than the last Business Day of the  
931 City's Fiscal Year at market value, except that any direct obligations of the United  
932 States of America - State and Local Government Series shall be continuously valued  
933 at their par value or principal face amount. For purposes of maximizing investment  
934 returns, money in such funds may be invested, together with money in other funds  
935 or with other money of the City, in common investments or in a common pool of  
936 such investments maintained by the City at an official depository of the City or in  
937 any fund or investment vehicle permitted by Texas law, which shall not be  
938 considered to be a loss of the segregation of such money or funds if safekeeping  
939 receipts, certificates of participation or other documents clearly evidencing the  
940 investment or investment pool in which such money is invested and the share  
941 purchased with such money or owned by such funds are held by or on behalf of each  
942 such fund. If and to the extent necessary, such investments or participations in these  
943 funds shall be promptly sold to prevent any default.

944 (b) All interest and income derived from deposits and investments credited  
945 to the Bond Fund and Reserve Fund shall remain a part of the fund from which such  
946 investment was made, and such investment interest and income shall reduce by like  
947 amount any required transfer to such funds from the Pledged Revenues, except at

948 any time when the Reserve Fund has on deposit an amount more than the Reserve  
949 Fund Requirement, all investment interest and income received on any investment  
950 of funds in such fund shall be deposited to the credit of the Bond Fund.

951 (c) Notwithstanding anything to the contrary contained in this Ordinance,  
952 any interest and income derived from deposits and investments of any amounts  
953 credited to any fund or account may be (i) transferred into any rebate account or  
954 subaccount and (ii) paid to the federal government if in the opinion of nationally  
955 recognized bond counsel such payment is required to comply with any covenant  
956 contained in an order, resolution or ordinance to prevent interest on any Bonds from  
957 being includable within the gross income of the owners thereof for federal income  
958 tax purposes.

959 **SECTION 20: ADDITIONAL BONDS**

960 (a) No Additional Bonds. The City covenants that it will not issue any  
961 additional bonds or other obligations payable from and secured by a lien on and  
962 pledge of the Pledged Revenues.

963 (b) Refunding Bonds. The City expressly reserves the right to issue  
964 refunding bonds to refund all or a portion of the Bonds or refunding bonds previously  
965 issued to refund Bonds. Such refunding bonds may be secured by a lien on Pledged  
966 Revenues on a parity with or subordinate to the lien securing the Bonds.

967 **SECTION 21: COVENANTS AND PROVISIONS RELATING TO**  
968 **ALL PARITY OBLIGATIONS**

969 (a) Punctual Payment of Parity Obligations. The City covenants it will  
970 punctually pay or cause to be paid the interest and any premium on and principal of  
971 all Parity Obligations according to their terms and will faithfully do and perform,  
972 and at all times fully observe, any and all covenants, undertakings, stipulations and  
973 provisions contained in this Ordinance and in any other ordinance authorizing the  
974 issuance of such Parity Obligations.

975 (b) Pledge and Encumbrance of Pledged Revenues. The City covenants  
976 and represents that it has the lawful power to create a lien on and to pledge the  
977 Pledged Revenues to secure the payment of the Parity Obligations and has lawfully  
978 exercised such power under the Constitution and laws of the State of Texas. The  
979 City further covenants and represents that, other than to the payment of the bonds  
980 and obligations authorized and reserved to be issued in this Ordinance, the Pledged

981 Revenues are not and will not be made subject to any other lien, pledge or  
982 encumbrance to secure the payment of any debt or obligation of the City.

983 (c) Bondholders' Remedies. This Ordinance shall constitute a contract  
984 between the City and the Holders of the Bonds from time to time Outstanding and  
985 the beneficiaries of other Parity Obligations and this Ordinance shall be and remain  
986 irrevocable until the Bonds and the other Parity Obligations shall be fully paid or  
987 discharged or provision for payment or discharge shall have been made as provided  
988 in this Ordinance. In the event of a default in the payment of the principal of or  
989 interest or any premium on any of the Bonds or a default in the performance of any  
990 duty or covenant provided by law or in this Ordinance, each Holder of a Bond and  
991 each beneficiary of any Parity Obligation may pursue all legal remedies afforded by  
992 the Constitution and laws of the State of Texas to compel the City to remedy such  
993 default and to prevent further default or defaults. Without in any way limiting the  
994 generality of the preceding, it is expressly provided that each Holder of a Bond and  
995 each beneficiary of any Parity Obligation may at law or in equity, by suit, action,  
996 mandamus, or other proceedings, enforce and compel performance of all duties  
997 required to be performed by the City under this Ordinance, including the application  
998 of Pledged Revenues in the manner required in this Ordinance; provided, however,  
999 that no Holder of a Bond and no beneficiary of a Parity Obligation shall ever have  
1000 the right to demand payment of the principal of, interest on or any redemption  
1001 premium on the Bonds or any payment on any Parity Obligation out of any funds  
1002 raised or to be raised by taxation, other than the Pledged Revenues.

1003 (d) Satisfaction of Obligation of City. If the City shall pay or cause to be  
1004 paid, or there shall otherwise be paid to the Holders, the principal of, premium, if  
1005 any, and interest on the Bonds, at the times and in the manner stipulated in this  
1006 Ordinance, then the pledge of the Pledged Revenues under this Ordinance and all  
1007 other obligations of the City to the Holders shall cease, terminate, and become void  
1008 and be discharged and satisfied.

1009 Bonds, or any principal amount(s) thereof, shall be deemed to have been paid  
1010 within the meaning and with the effect expressed above in this Section when: (i)  
1011 money sufficient to pay in full such Bonds or the principal amount(s) thereof at  
1012 Stated Maturity, together with all interest due thereon, shall have been irrevocably  
1013 deposited with and held in trust by the Paying Agent/Registrar, or an authorized  
1014 escrow agent; and/or (ii) Government Securities shall have been irrevocably  
1015 deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent,  
1016 which Government Securities mature as to principal and interest in such amounts

1017 and at such times as will insure the availability, without reinvestment, of sufficient  
1018 money, together with any money deposited therewith, if any, to pay when due the  
1019 principal of and interest on such Bonds, or the principal amount(s) thereof, on and  
1020 prior to the Stated Maturity thereof. In the event of a defeasance of the Bonds, the  
1021 City shall deliver a certificate from its financial advisor, the Paying Agent/Registrar,  
1022 an independent accounting firm, or another qualified third party concerning the  
1023 deposit of cash and/or Government Securities to pay, when due, the principal of,  
1024 redemption premium (if any), and interest due on any defeased Bonds. To the extent  
1025 applicable (if at all), the Issuer covenants that no deposit of money or Government  
1026 Securities will be made under this Section and no use made of any such deposit  
1027 which would cause the Bonds to be treated as arbitrage bonds within the meaning of  
1028 section 148 of the Code.

1029 Any money so deposited with the Paying Agent/Registrar, and all income  
1030 from Government Securities held in trust by the Paying Agent/Registrar, or an  
1031 authorized escrow agent, pursuant to this Section which is not required for the  
1032 payment of the Bonds, or any principal amount(s) thereof, or interest thereon with  
1033 respect to which such money has been so deposited shall be remitted to the City or  
1034 deposited as directed by the City. Furthermore, any money held by the Paying  
1035 Agent/Registrar for the payment of the principal of and interest on the Bonds and  
1036 remaining unclaimed for a period of three (3) years after the Stated Maturity of the  
1037 Bonds, such money was deposited and is held in trust to pay shall upon the request  
1038 of the City be remitted to the City against a written receipt therefor, subject to the  
1039 unclaimed property laws of the State of Texas.

1040 (e) Non-Business Days. In any case where the date of maturity of interest  
1041 on or principal of the Bonds or the date fixed for redemption of any Bonds or the  
1042 due date for the payment or performance of any obligation shall be other than a  
1043 Business Day, then such payment need not be made on such due date but may be  
1044 made on the next succeeding day which is a Business Day with the same force and  
1045 effect as if made on the date of maturity or the date fixed for redemption or other  
1046 due date, and no interest shall accrue for the period from the scheduled due date to  
1047 the date of actual payment. If any Transfer Date shall not be a Business Day, then  
1048 the transfer otherwise required to be made on such date pursuant to Section 15 shall  
1049 be made on the next succeeding Business Day.

1050 **SECTION 22: ALTERATION OF RIGHTS AND DUTIES;**  
1051 **AMENDMENT OF ORDINANCE.**

1052 (a) Alteration of Rights and Duties. The rights, duties, and obligations of  
1053 the City and the Holders of the Bonds are subject in all respects to all applicable  
1054 federal and state laws including, without limitation, the provisions of federal law  
1055 regarding the composition of indebtedness of political subdivisions, as the same now  
1056 exist or may be amended.

1057 (b) Amendment of Ordinance Without Consent. The City may, without the  
1058 consent of or notice to any of the Holders of the Bonds, amend this Ordinance for  
1059 any one or more of the following purposes:

1060 (1) to cure any ambiguity, defect, omission or inconsistent  
1061 provision in this Ordinance or in the Bonds; or to comply with any  
1062 applicable provision of law or regulation of federal agencies; provided,  
1063 however, that such action shall not adversely affect the interests of the  
1064 Holders of the Bonds;

1065 (2) to change the terms or provisions of this Ordinance to the  
1066 extent necessary to prevent the interest on the Bonds from being  
1067 includable within the gross income of the owners thereof for federal  
1068 income tax purposes;

1069 (3) to grant to or confer upon the Holders of the Bonds any  
1070 additional rights, remedies, powers or authority that may lawfully be  
1071 granted to or conferred upon the Holders of the Bonds;

1072 (4) to add to the covenants and agreements of the City  
1073 contained in this Ordinance other covenants and agreements of, or  
1074 conditions or restrictions upon, the City or to surrender or eliminate any  
1075 right or power reserved to or conferred upon the City in this Ordinance;  
1076 and

1077 (5) to subject to the lien and pledge of this Ordinance  
1078 additional Pledged Revenues, provided such amendment does not cause  
1079 any reduction in any rating assigned to the Bonds by any major  
1080 municipal securities evaluation service then rating the Bonds;

1081 provided, however, that if and to the extent required by a Credit Facility, Liquidity  
1082 Facility, another Credit Agreement or other provision of this Ordinance, the City  
1083 shall first obtain the consent of the Credit Facility Provider, and any Liquidity  
1084 Facility Provider to any such amendment pursuant to this Section 22.

1085 (c) Amendments of Ordinance Requiring Consent.

1086 (1) The City may at any time adopt one or more ordinances  
1087 amending, modifying, adding to or eliminating any of the provisions of  
1088 this Ordinance but, if such amendment is not of the character described  
1089 in Section 22(b) of this Ordinance, only with the consent given in  
1090 accordance with Section 22(d) of this Ordinance of the Holders of not  
1091 fewer than a majority of the aggregate unpaid principal amount of the  
1092 Bonds then Outstanding and affected by such amendment,  
1093 modification, addition, or elimination; provided, however, that nothing  
1094 in this Section 22(c) shall permit (1) an extension of the maturity of the  
1095 principal of or interest on any Bond issued hereunder, or (2) a reduction  
1096 in the principal amount of any Bond or the rate of interest on any Bond  
1097 or redemption price, or (3) a privilege or priority of any Bond or Bonds  
1098 over any other Bond or Bonds, or (4) a reduction in the aggregate  
1099 principal amount of the Bonds required for consent to such amendment.

1100 (2) If and to the extent required by a Credit Facility, Liquidity  
1101 Facility, another Credit Agreement or other provision of this  
1102 Ordinance, the City shall first obtain the consent of the Credit Facility  
1103 Provider, and any Liquidity Provider to any such amendment pursuant  
1104 to this Section 22(c).

1105 (d) Consent of Holders. Any consent required by Section 22(c) shall be  
1106 considered given:

1107 (1) By all Holders of Outstanding Bonds if a Credit Facility is  
1108 in effect, the Credit Facility Provider is not in default under the Credit  
1109 Facility and the Credit Facility Provider has given its written consent to  
1110 the amendments in writing,

1111 (2) By all Holders of Outstanding Bonds if the Bonds are  
1112 remarketed following a mandatory tender of all Bonds and the  
1113 substance of such amendment has been disclosed to the market in  
1114 connection with such remarketing,

1115 (3) By all Holders of Outstanding Bonds if the Bonds are in  
1116 an Auction Rate Mode and if written notice of the substance of the  
1117 proposed amendment has been furnished to the Holders and if  
1118 following such disclosure, there have occurred at least two consecutive

1119 Auctions and in each such Auction either Sufficient Clearing Bids  
1120 existed or the Auction Rate determined was the Winning Bid Rate,

1121 (4) By any Holder in any number of concurrent writings of  
1122 similar tenor, signed by such Holder or his authorized attorney. Proof  
1123 of the execution of any such consent or of the writing appointing any  
1124 such attorney and of the ownership of Bonds, if made in the following  
1125 manner, shall be sufficient for any of the purposes of this Ordinance,  
1126 and shall be conclusive in favor of the City with regard to any action  
1127 taken, suffered or omitted to be taken by the City under such  
1128 instrument, namely:

1129 (i) the fact and date of the execution by any  
1130 person of any such writing may be proved by the  
1131 certificate of any officer in any jurisdiction who by law  
1132 has power to take acknowledgments within such  
1133 jurisdiction that the person signing such writing  
1134 acknowledged before him the execution thereof, or by  
1135 affidavit of any witness to such execution; and

1136 (ii) the fact of the ownership by any person of  
1137 any Bond and the date of the ownership of same may be  
1138 proved by a certificate executed by an appropriate officer  
1139 of the Paying Agent/Registrar, stating that at the date  
1140 thereof such Bond was registered in the name of such party  
1141 in the Security Register.

1142 In lieu of the preceding the City may accept such other proofs of the preceding  
1143 as it shall consider appropriate.

1144 Consents obtained pursuant to Section 22(d)(4) shall be valid only if given  
1145 following the mailing of notice by or on behalf of the City requesting such consent  
1146 and setting forth the substance of the amendment of this Ordinance in respect of  
1147 which such consent is sought and stating that copies thereof are available at the office  
1148 of the City Clerk for inspection. Such notice shall be mailed by certified mail to  
1149 each Holder of the Bonds affected at the address shown on the Security Register.

1150 (e) Revocation of Consent. Any consent by any Holder of a Bond pursuant  
1151 to the provisions of Section 22(d)(4) shall be irrevocable for a period of six months  
1152 from the date of mailing of the notice provided for in this Section, and shall be

1153 conclusive and binding upon all future Holders of the same Bond and any Bond  
1154 delivered on transfer thereof or in exchange for or replacement thereof during such  
1155 period. Such consent may be revoked at any time after six months from the date of  
1156 the first mailing of such notice by the owner who gave such consent or by a successor  
1157 in title, by filing notice thereof with the Paying Agent/Registrar, but such revocation  
1158 shall not be effective if the Holders of a majority in aggregate principal amount of  
1159 the Bonds Outstanding as in this Ordinance defined have, before the attempted  
1160 revocation, consented to and approved the amendment.

1161         **SECTION 23: MUTILATED - DESTROYED - LOST AND**  
1162 **STOLEN BONDS.** In case any Bond shall be mutilated, or destroyed, lost or stolen,  
1163 the Paying Agent/Registrar may execute and deliver a replacement Bond of like form  
1164 and tenor, and in the same denomination and bearing a number not  
1165 contemporaneously outstanding, in exchange and substitution for such mutilated  
1166 Bond, or in lieu of and in substitution for such destroyed, lost or stolen Bond, only  
1167 upon the approval of the City and after (i) the filing by the Holder thereof with the  
1168 Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the  
1169 destruction, loss or theft of such Bond, and of the authenticity of the ownership  
1170 thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in  
1171 an amount satisfactory to hold the City and the Paying Agent/Registrar harmless.  
1172 All expenses and charges associated with such indemnity and with the preparation,  
1173 execution and delivery of a replacement Bond shall be borne by the Holder of the  
1174 Bond mutilated, destroyed, lost or stolen.

1175         Every new Bond issued pursuant to this Section in lieu of any mutilated,  
1176 destroyed, lost, or stolen Bond shall constitute a replacement of the prior obligation  
1177 of the City, whether or not the mutilated, destroyed, lost, or stolen Bond shall be at  
1178 any time enforceable by anyone, and shall be entitled to all the benefits of this  
1179 Ordinance equally and ratably with all other Outstanding Bonds.

1180         The provisions of this Section are exclusive and shall preclude (to the extent  
1181 lawful) all other rights and remedies with respect to the replacement and payment of  
1182 mutilated, destroyed, lost, or stolen Bonds.

1183         **SECTION 24: TAX EXEMPTION.**

1184         (a) Definitions. When used in this Section, the following terms shall have  
1185 the following meanings:

1186 “Closing Date” means the date on which the Bonds are first  
1187 authenticated and delivered to the initial purchasers against payment  
1188 therefor.

1189 “Code” means the Internal Revenue Code of 1986, as amended by all  
1190 legislation, if any, effective on or before the Closing Date.

1191 “Computation Date” has the meaning set forth in Section 1.148-1(b) of  
1192 the Regulations.

1193 “Gross Proceeds” means any proceeds as defined in Section 1.148-1(b)  
1194 of the Regulations, and any replacement proceeds as defined in Section  
1195 1.148-1(c) of the Regulations, of the Bonds.

1196 “Investment” has the meaning set forth in Section 1.148-1(b) of the  
1197 Regulations.

1198 “Nonpurpose Investment” means any investment property, as defined  
1199 in section 148(b) of the Code, in which Gross Proceeds of the Bonds  
1200 are invested and which is not acquired to carry out the governmental  
1201 purposes of the Bonds.

1202 “Rebate Amount” has the meaning set forth in Section 1.148-1(b) of  
1203 the Regulations.

1204 “Regulations” means any proposed, temporary, or final Income Tax  
1205 Regulations issued pursuant to Sections 103 and 141 through 150 of the  
1206 Code, and 103 of the Internal Revenue Code of 1954, which are  
1207 applicable to the Bonds. Any reference to any specific Regulation shall  
1208 also mean, as appropriate, any proposed, temporary or final Income Tax  
1209 Regulation designed to supplement, amend or replace the specific  
1210 Regulation referenced.

1211 “Yield” of (1) any Investment has the meaning set forth in Section  
1212 1.148-5 of the Regulations and (2) the Bonds has the meaning set forth  
1213 in Section 1.148-4 of the Regulations.

1214 (b) Not to Cause Interest to Become Taxable. The City shall not use,  
1215 permit the use of, or omit to use Gross Proceeds or any other amounts (or any  
1216 property the acquisition, construction or improvement of which is to be financed  
1217 directly or indirectly with Gross Proceeds) in a manner which if made or omitted,

1218 respectively, would cause the interest on any Bond to become includable in the gross  
1219 income, as defined in section 61 of the Code, of the owner thereof for federal income  
1220 tax purposes. Without limiting the generality of the foregoing, unless and until the  
1221 City receives a written opinion of counsel nationally recognized in the field of  
1222 municipal bond law to the effect that failure to comply with such covenant will not  
1223 adversely affect the exemption from federal income tax of the interest on any Bond,  
1224 the City shall comply with each of the specific covenants in this Section.

1225 (c) No Private Use or Private Payments. Except as permitted by section  
1226 141 of the Code and the Regulations and rulings thereunder, the City shall at all  
1227 times prior to the last Stated Maturity of Bonds:

1228 (1) exclusively own, operate and possess all property the  
1229 acquisition, construction or improvement of which is to be financed or  
1230 refinanced directly or indirectly with Gross Proceeds of the Bonds  
1231 (including property financed with Gross Proceeds of the Refunded  
1232 Bonds), and not use or permit the use of such Gross Proceeds (including  
1233 all contractual arrangements with terms different than those applicable  
1234 to the general public) or any property acquired, constructed or improved  
1235 with such Gross Proceeds in any activity carried on by any person or  
1236 entity (including the United States or any agency, department and  
1237 instrumentality thereof) other than a state or local government, unless  
1238 such use is solely as a member of the general public; and

1239 (2) not directly or indirectly impose or accept any charge or  
1240 other payment by any person or entity who is treated as using Gross  
1241 Proceeds of the Bonds or any property the acquisition, construction or  
1242 improvement of which is to be financed or refinanced directly or  
1243 indirectly with such Gross Proceeds (including property financed with  
1244 Gross Proceeds of the Refunded Bonds), other than taxes of general  
1245 application within the City or interest earned on investments acquired  
1246 with such Gross Proceeds pending application for their intended  
1247 purposes.

1248 (d) No Private Loan. Except to the extent permitted by section 141 of the  
1249 Code and the Regulations and rulings thereunder, the City shall not use Gross  
1250 Proceeds of the Bonds to make or finance loans to any person or entity other than a  
1251 state or local government. For purposes of the foregoing covenant, such Gross  
1252 Proceeds are considered to be “loaned” to a person or entity if: (1) property acquired,

1253 constructed or improved with such Gross Proceeds is sold or leased to such person  
1254 or entity in a transaction which creates a debt for federal income tax purposes; (2)  
1255 capacity in or service from such property is committed to such person or entity under  
1256 a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or  
1257 burdens and benefits of ownership, of such Gross Proceeds or any property acquired,  
1258 constructed or improved with such Gross Proceeds are otherwise transferred in a  
1259 transaction which is the economic equivalent of a loan.

1260 (e) Not to Invest at Higher Yield. Except to the extent permitted by section  
1261 148 of the Code and the Regulations and rulings thereunder, the City shall not at any  
1262 time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross  
1263 Proceeds in any Investment (or use Gross Proceeds to replace money so invested),  
1264 if as a result of such investment the Yield from the Closing Date of all Investments  
1265 acquired with Gross Proceeds (or with money replaced thereby), whether then held  
1266 or previously disposed of, exceeds the Yield of the Bonds.

1267 (f) Not Federally Guaranteed. Except to the extent permitted by section  
1268 149(b) of the Code and the Regulations and rulings thereunder, the City shall not  
1269 take or omit to take any action which would cause the Bonds to be federally  
1270 guaranteed within the meaning of section 149(b) of the Code and the Regulations  
1271 and rulings thereunder.

1272 (g) Information Report. The City shall timely file the information required  
1273 by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or  
1274 such other form and in such place as the Secretary may prescribe.

1275 (h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in  
1276 section 148(f) of the Code and the Regulations and rulings thereunder:

1277 (1) The City shall account for all Gross Proceeds (including  
1278 all receipts, expenditures and investments thereof) on its books of  
1279 account separately and apart from all other funds (and receipts,  
1280 expenditures and investments thereof) and shall retain all records of  
1281 accounting for at least six years after the day on which the last  
1282 outstanding Bond is discharged. However, to the extent permitted by  
1283 law, the City may commingle Gross Proceeds of the Bonds with other  
1284 money of the City, provided that the City separately accounts for each  
1285 receipt and expenditure of Gross Proceeds and the obligations acquired  
1286 therewith.

1287           (2) Not less frequently than each Computation Date, the City  
1288 shall calculate the Rebate Amount in accordance with rules set forth in  
1289 section 148(f) of the Code and the Regulations and rulings thereunder.  
1290 The City shall maintain such calculations with its official transcript of  
1291 proceedings relating to the issuance of the Bonds until six years after  
1292 the final Computation Date.

1293           (3) As additional consideration for the purchase of the Bonds  
1294 by the Purchasers and the loan of the money represented thereby and in  
1295 order to induce such purchase by measures designed to insure the  
1296 excludability of the interest thereon from the gross income of the  
1297 owners thereof for federal income tax purposes, the City shall pay to  
1298 the United States out of the Bond Fund or its general fund, as permitted  
1299 by applicable Texas statute, regulation or opinion of the Attorney  
1300 General of the State of Texas, the amount that when added to the future  
1301 value of previous rebate payments made for the Bonds equals (i) in the  
1302 case of a Final Computation Date as defined in Section 1.148-3(e)(2)  
1303 of the Regulations, one hundred percent (100%) of the Rebate Amount  
1304 on such date; and (ii) in the case of any other Computation Date, ninety  
1305 percent (90%) of the Rebate Amount on such date. In all cases, the  
1306 rebate payments shall be made at the times, in the installments, to the  
1307 place and in the manner as is or may be required by section 148(f) of  
1308 the Code and the Regulations and rulings thereunder, and shall be  
1309 accompanied by Form 8038-T or such other forms and information as  
1310 is or may be required by Section 148(f) of the Code and the Regulations  
1311 and rulings thereunder.

1312           (4) The City shall exercise reasonable diligence to assure that  
1313 no errors are made in the calculations and payments required by  
1314 paragraphs (2) and (3), and if an error is made, to discover and promptly  
1315 correct such error within a reasonable amount of time thereafter (and in  
1316 all events within one hundred eighty (180) days after discovery of the  
1317 error), including payment to the United States of any additional Rebate  
1318 Amount owed to it, interest thereon, and any penalty imposed under  
1319 Section 1.148-3(h) of the Regulations.

1320           (i) Not to Divert Arbitrage Profits. Except to the extent permitted by  
1321 section 148 of the Code and the Regulations and rulings thereunder, the City shall  
1322 not, at any time prior to the earlier of the Stated Maturity or final payment of the

1323 Bonds, enter into any transaction that reduces the amount required to be paid to the  
1324 United States pursuant to Subsection (h) of this Section because such transaction  
1325 results in a smaller profit or a larger loss than would have resulted if the transaction  
1326 had been at arm's length and had the Yield of the Bonds not been relevant to either  
1327 party.

1328 (j) Elections. The City hereby directs and authorizes the City Manager,  
1329 Chief Financial Officer, Director of Financial Services, and City Treasurer, either or  
1330 any combination of them, to make elections permitted or required pursuant to the  
1331 provisions of the Code or the Regulations, as they deem necessary or appropriate in  
1332 connection with the Bonds, in the Certificate as to Tax Exemption or similar or other  
1333 appropriate certificate, form or document.

1334 (k) Bonds Not Hedge Bonds. (1) The City reasonably expects to spend at  
1335 least 85% of the spendable proceeds of the Bonds within three years after such Bonds  
1336 are issued and (2) not more than 50% of the proceeds of the Bonds will be invested  
1337 in Nonpurpose Investments having a substantially guaranteed Yield for a period of  
1338 4 years or more.

1339 (l) Current Refunding. The Refunded Bonds being refunded by the Bonds  
1340 constitute a current refunding as the payment and/or redemption of such Refunded  
1341 Bonds will occur within 90 days of the delivery of the Bonds.

1342 **SECTION 25: SALE OF BONDS – BOND PURCHASE**  
1343 **AGREEMENT**. The Bonds are to be sold by the City to the Purchasers in  
1344 accordance with a bond purchase agreement (the "Purchase Contract"), the terms  
1345 and provisions of which Purchase Contract are to be determined by the Pricing  
1346 Officer, in accordance with Section 4 of this Ordinance. With regard to such terms  
1347 and provisions of the Purchase Contract, the Pricing Officer may come to an  
1348 agreement with the Purchasers on the following, among other matters:

1349 (1) The details of the purchase and sale of the Bonds;

1350 (2) The details of the public offering of the Bonds by the Purchasers;

1351 (3) The details of an Official Statement (and, if appropriate, any  
1352 Preliminary Official Statement) relating to the Bonds and the City's Rule 15c2-12  
1353 compliance;

1354 (4) A security deposit for the Bonds;

- 1355 (5) The representations and warranties of the City to the Purchasers;  
1356 (6) The details of the delivery of, and payment for, the Bonds;  
1357 (7) The Purchasers' obligations under the Purchase Contract;  
1358 (8) The certain conditions to the obligations of the City under the Purchase  
1359 Contract;  
1360 (9) Termination of the Purchase Contract;  
1361 (10) Particular covenants of the City;  
1362 (11) The survival of representations made in the Purchase Contract;  
1363 (12) The payment of any expenses relating to the Purchase Contract;  
1364 (13) Notices; and  
1365 (14) Any and all such other details that are found by the Pricing Officer to  
1366 be necessary and advisable for the purchase and sale of the Bonds.

1367 Any Pricing Officer may execute the Purchase Contract for and on behalf of  
1368 the City and as the act and deed of Council.

1369 The Mayor and City Clerk of the City may manually or electronically execute  
1370 and deliver for and on behalf of the City copies of a Preliminary Official Statement  
1371 and Official Statement, prepared in connection with the offering of the Bonds by the  
1372 Purchasers, in final form as may be required by the Purchasers, and the final Official  
1373 Statement in the form and content as approved by the Pricing Officer or as manually  
1374 or electronically executed by said officials shall be deemed to be approved by  
1375 Council and constitute the Official Statement authorized for distribution and use by  
1376 the Purchasers.

1377 **SECTION 26: ESCROW AGREEMENT.** An "Escrow Agreement"  
1378 (the "Escrow Agreement") by and between the City and an authorized escrow agent  
1379 (the "Escrow Agent"), if any agreement is required in connection with the issuance  
1380 of the Bonds, shall be attached to, and approved in, the Pricing Certificate. The  
1381 Escrow Agreement is authorized to be finalized and executed by the Pricing Officer  
1382 for and on behalf of the City and as the act and deed of Council; and the Escrow  
1383 Agreement as executed by said Pricing Officer shall be deemed approved by Council

1384 and constitute the Escrow Agreement approved by this Ordinance. With regard to  
1385 the finalization of certain terms and provisions of the Escrow Agreement, a Pricing  
1386 Officer is authorized to come to an agreement with the Escrow Agent on the  
1387 following details, among other matters:

1388 (1) The identification of the Refunded Obligations;

1389 (2) The creation and funding of the Escrow Fund or Funds; and

1390 (3) The Escrow Agent's compensation, administration of the Escrow Fund  
1391 or Funds, and the settlement of any paying agents' charges relating to the Refunded  
1392 Obligations.

1393 Furthermore, appropriate officials of the City in cooperation with the Escrow  
1394 Agent are authorized and directed to make the necessary arrangements for the  
1395 purchase of the escrowed securities referenced in the Escrow Agreement and the  
1396 delivery of the escrowed securities to the Escrow Agent on the day of delivery of the  
1397 Bonds to the Purchasers for deposit to the credit of the "CITY OF AUSTIN, TEXAS,  
1398 HOTEL OCCUPANCY TAX REVENUE REFUNDING BONDS (SEPARATE  
1399 VENUE LIEN), SERIES 2025 ESCROW FUND" (referred to as the "Escrow  
1400 Fund"), or such other designation as specified on the Pricing Certificate; all as  
1401 contemplated and provided in Texas Government Code, Chapter 1207, as amended,  
1402 this Ordinance, the Pricing Certificate, and the Escrow Agreement.

1403 On or immediately prior to the date of the delivery of the Bonds to the  
1404 Purchasers, the Pricing Officer shall also cause to be deposited (and is authorized  
1405 to cause to be deposited) (a) with the Escrow Agent from moneys on deposit in the  
1406 debt service fund(s) maintained for the payment of the Refunded Bonds an amount  
1407 which, together with the proceeds of sale, and the investment earnings thereon, will  
1408 be sufficient to pay in full the Refunded Obligations (or the amount of accrued  
1409 interest due thereon) scheduled to mature and authorized to be redeemed on the  
1410 earliest date established in the Pricing Certificate for the redemption of any of the  
1411 Refunded Bonds (or the earliest date of payment, to be made from moneys in the  
1412 Escrow Fund(s), as established in the Pricing Certificate, of the amount of accrued  
1413 interest due thereon).

1414 **SECTION 27: PROCEEDS OF SALE.** Immediately following the  
1415 delivery of the Bonds, proceeds designated to pay costs of issuance, proceeds of sale  
1416 designated to fund the Reserve Fund (if any) shall be disbursed for payment of costs  
1417 of issuance or deposited into the Bond Fund or Reserve Fund for the Bonds, all in

1418 accordance with written instructions from the City or its Financial Advisor. The  
1419 balance of the proceeds shall be deposited with the Escrow Agent for application  
1420 and disbursement in accordance with the provisions of the Escrow Agreement or for  
1421 the payment of any Reimbursement Obligations associated with the Refunded  
1422 Bonds, all as specified in the Pricing Certificate.

1423 **SECTION 28: REDEMPTION OF REFUNDED BONDS.** (a)

1424 The Refunded Bonds, shall be redeemed and the same are called for redemption on  
1425 date specified in the Pricing Certificate, at the redemption price of par and accrued  
1426 interest to the date of redemption. The City Clerk is authorized and directed to file  
1427 a copy of this Ordinance, together with a suggested form of notice of redemption to  
1428 be sent to bondholders, , in accordance with the redemption provisions applicable to  
1429 the Refunded Bonds; such suggested form of notice of redemption being attached to  
1430 the Pricing Certificate.

1431 (b) The redemption of the obligations described above being associated  
1432 with the refunding of such obligations, the approval, authorization and arrangements  
1433 given in this Section and provided for the redemption of such obligations on the  
1434 redemption date designated and in the manner provided shall be irrevocable upon  
1435 the issuance and delivery of the Bonds; and the City Clerk is authorized and directed  
1436 to make all arrangements necessary to notify the holders of such obligations of the  
1437 City's decision to redeem such obligations on the date and in the manner provided  
1438 in this Section and in accordance with the ordinances authorizing the issuance of the  
1439 obligations and this Ordinance.

1440 **SECTION 29: CONTROL AND CUSTODY OF BONDS.** The Mayor  
1441 of the City shall be and is authorized to take and have charge of all necessary orders  
1442 and records pending the delivery of the Bonds, and shall take and have charge and  
1443 control of the Initial Bond(s) pending the approval thereof by the Attorney General,  
1444 the registration thereof by the Comptroller of Public Accounts and the delivery  
1445 thereof to the Purchaser(s).

1446 Furthermore, each Pricing Officer, any one or more of said officials, are  
1447 authorized and directed to furnish and execute such documents relating to the City  
1448 and its financial affairs as may be necessary for the issuance of the Bonds, the  
1449 approval of the Attorney General and registration by the Comptroller of Public  
1450 Accounts and, together with the City's financial advisor, and the Paying  
1451 Agent/Registrar, make the necessary arrangements for the delivery of the Initial

1452 Bond(s) to the initial Purchasers and the exchange thereof for obligations described  
1453 in this Ordinance and in the Official Statement.

1454       **SECTION 30: LEGAL OPINION.** The obligation of the Purchasers to  
1455 accept delivery of the Bonds is subject to being furnished a final opinion of Norton  
1456 Rose Fulbright US LLP, Austin, Texas, approving such Bonds as to their validity,  
1457 said opinion to be dated and delivered as of the date of delivery and payment for  
1458 such Bonds. A true and correct reproduction of said opinion is authorized to be  
1459 printed on the definitive Bonds or an executed counterpart thereof shall accompany  
1460 the global Bonds deposited with the Depository Trust Company.

1461       **SECTION 31: CUSIP NUMBERS.** CUSIP numbers may be printed or  
1462 typed on the definitive Bonds. It is expressly provided, however, that the presence  
1463 or absence of CUSIP numbers on the definitive Bonds shall be of no significance or  
1464 effect as regards the legality thereof and neither the City nor attorneys approving  
1465 said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly  
1466 printed or typed on the definitive Bonds.

1467       **SECTION 32: BENEFITS OF ORDINANCE.** Nothing in this  
1468 Ordinance, expressed or implied, is intended or shall be construed to confer upon  
1469 any person other than the City, the Paying Agent/Registrar and the Holders, any  
1470 right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or  
1471 any provision hereof, this Ordinance and all its provisions being intended to be and  
1472 being for the sole and exclusive benefit of the City, the Paying Agent/Registrar and  
1473 the Holders.

1474       **SECTION 33: INCONSISTENT PROVISIONS.** All ordinances,  
1475 orders or resolutions, or parts thereof, which are in conflict or inconsistent with any  
1476 provision of this Ordinance are repealed to the extent of such conflict and the  
1477 provisions of this Ordinance shall be and remain controlling as to the matters  
1478 contained in this Ordinance.

1479       **SECTION 34: GOVERNING LAW.** This Ordinance shall be construed  
1480 and enforced in accordance with the laws of the State of Texas and the United States  
1481 of America.

1482       **SECTION 35: SEVERABILITY.** If any provision of this Ordinance or  
1483 the application thereof to any circumstance shall be held to be invalid, the remainder  
1484 of this Ordinance and the application thereof to other circumstances shall

1485 nevertheless be valid, and the Council declares that this Ordinance would have been  
1486 enacted without such invalid provision.

1487         **SECTION 36: CONSTRUCTION OF TERMS.** If appropriate in the  
1488 context of this Ordinance, words of the singular number shall be considered to  
1489 include the plural, words of the plural number shall be considered to include the  
1490 singular, and words of the masculine, feminine or neuter gender shall be considered  
1491 to include the other genders.

1492         **SECTION 37: NOTICES TO HOLDERS-WAIVER.** Wherever this  
1493 Ordinance provides for notice to Holders of any event, such notice shall be  
1494 sufficiently given (unless otherwise in this Ordinance expressly provided) if in  
1495 writing and sent by United States Mail, first class postage prepaid, to the address of  
1496 each Holder as it appears in the Security Register.

1497         In any case where notice to Holders is given by mail, neither the failure to  
1498 mail such notice to any particular Holders, nor any defect in any notice so mailed,  
1499 shall affect the sufficiency of such notice with respect to all other Bonds. Where  
1500 this Ordinance provides for notice in any manner, such notice may be waived in  
1501 writing by the Holder entitled to receive such notice, either before or after the  
1502 event with respect to which such notice is given, and such waiver shall be the  
1503 equivalent of such notice. Waivers of notice by Holders shall be filed with the  
1504 Paying Agent/Registrar, but such filing shall not be a condition precedent to the  
1505 validity of any action taken in reliance upon such waiver.

1506         **SECTION 38: CANCELLATION.** All Bonds surrendered for payment,  
1507 redemption, transfer or exchange, if surrendered to the Paying Agent/Registrar, shall  
1508 be promptly cancelled by it and, if surrendered to the City, shall be delivered to the  
1509 Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by  
1510 the Paying Agent/Registrar. The City may at any time deliver to the Paying  
1511 Agent/Registrar for cancellation any Bonds previously certified or registered and  
1512 delivered which the City may have acquired in any manner whatsoever, and all  
1513 Bonds so delivered shall be promptly cancelled by the Paying Agent/Registrar. All  
1514 cancelled Bonds held by the Paying Agent/Registrar shall be destroyed as directed  
1515 by the City.

1516         **SECTION 39: CONTINUING DISCLOSURE UNDERTAKING.**

1517         (a) Definitions. As used in this Section, the following terms have the  
1518 meanings ascribed to such terms below:

1519            *EMMA* means the MSRB’s Electronic Municipal Market Access system,  
1520 accessible by the general public, without charge, on the internet through the uniform  
1521 resource locator (URL) <http://www.emma.msrb.org>.

1522            *Financial Obligation* means a (a) debt obligation; (b) derivative instrument  
1523 entered into in connection with, or pledged as security or a source of payment for,  
1524 an existing or planned debt obligation; or (c) guarantee of a debt obligation or any  
1525 such derivative instrument; provided that “financial obligation” shall not include  
1526 municipal securities (as defined in the Securities Exchange Act of 1934, as amended)  
1527 as to which a final official statement (as defined in the Rule) has been provided to  
1528 the MSRB consistent with the Rule.

1529            *MSRB* means the Municipal Securities Rulemaking Board.

1530            *Rule* means SEC Rule 15c2-12, as amended from time to time.

1531            *SEC* means the United States Securities and Exchange Commission.

1532            *Undertaking* means the City’s continuing disclosure undertaking, described  
1533 in Subsections B through F below, hereunder accepted and entered into by the City  
1534 for the purpose of compliance with the Rule.

1535            (b) Annual Reports. The City shall file annually with the MSRB, (1) within  
1536 six months after the end of each fiscal year of the City beginning in the year stated  
1537 in the Pricing Certificate, financial information and operating data with respect to  
1538 the City of the general type included in the final Official Statement approved by the  
1539 Pricing Officer and described in the Pricing Certificate and (2) if not provided as  
1540 part of such financial information and operating data, audited financial statements  
1541 of the City, when and if available, beginning in the year stated in the Pricing  
1542 Certificate. Any financial statements so to be provided shall be (i) prepared in  
1543 accordance with the accounting principles described in the Pricing Certificate, or  
1544 such other accounting principles as the City may be required to employ from time to  
1545 time pursuant to state law or regulation, and (ii) audited, if the City commissions an  
1546 audit of such financial statements and the audit is completed within the period during  
1547 which they must be provided. If the audit of such financial statements is not complete  
1548 within such period, then the City shall file unaudited financial statements within such  
1549 period and audited financial statements for the applicable fiscal year to the MSRB,  
1550 when and if the audit report on such financial statements becomes available. Under  
1551 current Texas law, including, but not limited to, Chapter 103, as amended, Texas  
1552 Local Government Code, the City must have its records and accounts audited

1553 annually and shall have an annual financial statement prepared based on the audit.  
1554 The annual financial statement, including the auditor's opinion on the statement,  
1555 shall be filed in the office of the City Secretary within 180 days after the last day of  
1556 the City's fiscal year. Additionally, upon the filing of this financial statement and  
1557 the annual audit, these documents are subject to the Texas Open Records Act, as  
1558 amended, Texas Government Code, Chapter 552.

1559 If the City changes its fiscal year, it will notify the MSRB of the change (and  
1560 of the date of the new fiscal year end) prior to the next date by which the City  
1561 otherwise would be required to provide financial information and operating data  
1562 pursuant to this Section.

1563 The financial information and operating data to be provided pursuant to this  
1564 Section may be set forth in full in one or more documents or may be included by  
1565 specific reference to any document available to the public on the MSRB's Internet  
1566 Web site or filed with the SEC.

1567 (c) Notice of Certain Events. The City shall provide notice of any of the  
1568 following events with respect to the Bonds to the MSRB in a timely manner and not  
1569 more than 10 business days after occurrence of the event:

1570 (i) Principal and interest payment delinquencies;

1571 (ii) Non-payment related defaults, if material;

1572 (iii) Unscheduled draws on debt service reserves  
1573 reflecting financial difficulties;

1574 (iv) Unscheduled draws on credit enhancements  
1575 reflecting financial difficulties;

1576 (v) Substitution of credit or liquidity providers, or their  
1577 failure to perform;

1578 (vi) Adverse tax opinions, the issuance by the Internal  
1579 Revenue Service of proposed or final determinations of taxability,  
1580 Notices of Proposed Issue (IRS Form 5701-TEB), or other material  
1581 notices or determinations with respect to the tax status of the Bonds, or  
1582 other material events affecting the tax status of the Bonds;

1583 (vii) Modifications to rights of holders of the Bonds, if  
1584 material;

1585 (viii) Bond calls, if material, and tender offers;

1586 (ix) Defeasances;

1587 (x) Release, substitution, or sale of property securing  
1588 repayment of the Bonds, if material;

1589 (xi) Rating changes;

1590 (xii) Bankruptcy, insolvency, receivership, or similar  
1591 event of the City, which shall occur as described below;

1592 (xiii) The consummation of a merger, consolidation, or  
1593 acquisition involving the City or the sale of all or substantially all of its  
1594 assets, other than in the ordinary course of business, the entry into of a  
1595 definitive agreement to undertake such an action or the termination of  
1596 a definitive agreement relating to any such actions, other than pursuant  
1597 to its terms, if material;

1598 (xiv) Appointment of a successor or additional trustee or  
1599 the change of name of a trustee, if material;

1600 (xv) Incurrence of a Financial Obligation of the City, if  
1601 material, or agreement to covenants, events of default, remedies,  
1602 priority rights, or other similar terms of a Financial Obligation of the  
1603 City, any of which affect security holders, if material; and

1604 (xvi) Default, event of acceleration, termination event,  
1605 modification of terms, or other similar events under the terms of a  
1606 Financial Obligation of the City, any of which reflect financial  
1607 difficulties.

1608 For these purposes, (a) any event described in the immediately preceding  
1609 paragraph (12) is considered to occur when any of the following occur: the  
1610 appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding  
1611 under the United States Bankruptcy Code or in any other proceeding under state or  
1612 federal law in which a court or governmental authority has assumed jurisdiction over  
1613 substantially all of the assets or business of the City, or if such jurisdiction has been

1614 assumed by leaving the existing governing body and officials or officers in  
1615 possession but subject to the supervision and orders of a court or governmental  
1616 authority, or the entry of an order confirming a plan of reorganization, arrangement,  
1617 or liquidation by a court or governmental authority having supervision or jurisdiction  
1618 over substantially all of the assets or business of the City, and (b) the City intends  
1619 the words used in the immediately preceding paragraphs (15) and (16) and the  
1620 definition of Financial Obligation in this Section to have the same meanings as when  
1621 they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August  
1622 20, 2018.

1623         The City shall notify the MSRB, in a timely manner, of any failure by the City  
1624 to provide financial information or operating data in accordance with this Section by  
1625 the time required by this Section.

1626         (d) Limitations, Disclaimers and Amendments. The City shall be obligated  
1627 to observe and perform the covenants specified in this Section with respect to the  
1628 City and the Bonds while, but only while, the City remains an “obligated person”  
1629 with respect to the Bonds within the meaning of the Rule, except that the City in any  
1630 event will give the notice required by subsection (c) hereof of any Bond calls and/or  
1631 defeasances that cause the City to no longer be such an “obligated person”.

1632         The provisions of this Section are for the sole benefit of the Holders and  
1633 beneficial owners of the Bonds, and nothing in this Section, express or implied, shall  
1634 give any benefit or any legal or equitable right, remedy, or claim hereunder to any  
1635 other person. The City undertakes to provide only the financial information,  
1636 operating data, financial statements, and notices which it has expressly agreed to  
1637 provide pursuant to this Section and does not undertake to provide any other  
1638 information that may be relevant or material to a complete presentation of the  
1639 financial results, condition, or prospects of the City or the State of Texas or  
1640 undertake to update any information provided in accordance with this Section or  
1641 otherwise, except as expressly provided in this Section. The City does not make any  
1642 representation or warranty concerning such information or its usefulness to a  
1643 decision to invest in or sell Bonds at any future date.

1644         **UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE**  
1645 **HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER**  
1646 **PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN**  
1647 **WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER**  
1648 **NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT**

1649 SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY  
1650 SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY  
1651 SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR  
1652 SPECIFIC PERFORMANCE.

1653 No default by the City in observing or performing its obligations under this  
1654 Section shall constitute a breach of or default under this Ordinance for purposes of  
1655 any other provision of this Ordinance.

1656 Nothing in this Section is intended or shall act to disclaim, waive, or otherwise  
1657 limit the duties of the City under federal and state securities laws.

1658 Notwithstanding anything in this Ordinance to the contrary, the provisions of  
1659 this Section may be amended by the City from time to time to adapt to changed  
1660 circumstances resulting from a change in legal requirements, a change in law, or a  
1661 change in the identity, nature, status, or type of operations of the City, but only if (1)  
1662 the provisions of this Section, as so amended, would have permitted an underwriter  
1663 to purchase or sell Bonds in the primary offering of the Bonds in compliance with  
1664 the Rule, taking into account any amendments or interpretations of the Rule to the  
1665 date of such amendment, as well as such changed circumstances, and (2) either (a)  
1666 the Holders of a majority in aggregate principal amount and Maturity Amount (or  
1667 any greater amount required by any other provision of this Ordinance that authorizes  
1668 such an amendment) of the Outstanding Bonds consent to such amendment or (b) a  
1669 Person that is unaffiliated with the City (such as nationally recognized bond counsel)  
1670 determines that such amendment will not materially impair the interests of the  
1671 Holders and beneficial owners of the Bonds. The provisions of this Section may  
1672 also be amended from time to time or repealed by the City if the SEC amends or  
1673 repeals the applicable provisions of the Rule or a court of final jurisdiction  
1674 determines that such provisions are invalid, but only if and to the extent that  
1675 reservation of the City's right to do so would not prevent underwriters of the initial  
1676 public offering of the Bonds from lawfully purchasing or selling Bonds in such  
1677 offering. If the City so amends the provisions of this Section, it shall include with  
1678 any amended financial information or operating data next provided in accordance  
1679 with subsection (b) an explanation, in narrative form, of the reasons for the  
1680 amendment and of the impact of any change in the type of financial information or  
1681 operating data so provided.

1682 (e) Information Format – Incorporation by Reference. The City  
1683 information required under this Section shall be filed with the MSRB through

1684 EMMA in such format and accompanied by such identifying information as may be  
1685 specified from time to time thereby. Under the current rules of the MSRB,  
1686 continuing disclosure documents submitted to EMMA must be in word-searchable  
1687 portable document format (PDF) files that permit the document to be saved, viewed,  
1688 printed, and retransmitted by electronic means and the series of obligations to which  
1689 such continuing disclosure documents relate must be identified by CUSIP number  
1690 or numbers. Financial information and operating data to be provided pursuant to  
1691 this Section may be set forth in full in one or more documents or may be included  
1692 by specific reference to any document (including an official statement or other  
1693 offering document) available to the public through EMMA or filed with the SEC.

1694 **SECTION 40: INCORPORATION OF FINDINGS AND**  
1695 **DETERMINATIONS.** The findings and determinations of the City Council  
1696 contained in the preamble hereof are incorporated by reference and made a part of  
1697 this Ordinance for all purposes as if the same were restated in full in this Section.

1698 **SECTION 41: PUBLIC MEETING.** It is officially found, determined,  
1699 and declared that the meeting at which this Ordinance is adopted was open to the  
1700 public and public notice of the time, place, and subject matter of the public business  
1701 to be considered at such meeting, including this Ordinance, was given, all as required  
1702 by Chapter 551, as amended, Texas Government Code.

1703 **SECTION 42: EFFECTIVE DATE.** This Ordinance is passed on one  
1704 reading as authorized by Section 1201.028, as amended, Texas Government Code,  
1705 and shall be effective immediately upon its passage and adoption.

1706 *[remainder of page left blank intentionally]*  
1707

**PASSED AND APPROVED**

**CITY OF AUSTIN, TEXAS**

October 23, 2025

§  
§  
§

APPROVED:

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**KIRK WATSON**  
Mayor

ATTEST:

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**DEBORAH THOMAS**  
City Attorney

(City Seal)

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**ERIKA BRADY**  
City Clerk

Exhibit A

Paying Agent/Registrar Agreement

DRAFT