

**ORDINANCE NO.**

**AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF AUSTIN, TEXAS CERTIFICATES OF OBLIGATION, SERIES 2025; ESTABLISHING PARAMETERS FOR THE SALE OF THE CERTIFICATES; APPROVING RELATED DOCUMENTS; ENACTING OTHER PROVISIONS RELATED TO THE CERTIFICATES; AND DECLARING AN IMMEDIATE EFFECTIVE DATE.**

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

**PART 1. FINDINGS.**

On May 22, 2025, Council of the City authorized and directed that a notice of its intention to issue the Certificates (hereinafter defined) be published in a newspaper and posted on the City's internet website as required by Section 271.049 of the Texas Local Government Code; and

The notice was published in *The Austin American-Statesman*, as required by Section 271.049 of the Texas Local Government Code, on May 27, 2025 and June 3, 2025; and

The notice was posted on the City's internet website, as required by Section 271.049 of the Texas Local Government Code, on May 23, 2025; and

No petition, signed by 5% of the qualified electors of the City as permitted by Section 271.049 of the Texas Local Government Code protesting the issuance of the Certificates, has been filed; and

No bond proposition to authorize the issuance of bonds for the same purpose as any of the projects being financed with the proceeds of the Certificates was submitted to the voters of the City during the preceding three years and failed to be approved; and

Council is now authorized and empowered to proceed with the issuance and sale of the Certificates pursuant to Subchapter C of Chapter 271 of the Texas Local Government Code; and

Council desires to delegate to the Authorized Representative (defined below) the authority to effect the sale of the Certificates authorized by this Ordinance, subject to the parameters prescribed by this Ordinance; and

The meeting at which this Ordinance is considered is open to the public as required by law, and the public notice of the time, place and purpose of the meeting was given as required by Chapter 551 of the Texas Government Code.

**PART 2. DEFINITIONS.**

The terms used in this Ordinance have the following meanings:

45 “Authentication Certificate” means the Paying Agent/Registrar’s Authentication  
46 Certificate, in the form identified in the Form of Certificate.

47  
48 “Authorized Denomination” means \$5,000 or any integral multiple of \$5,000.

49 “Authorized Representative” means the City Manager, the Chief Financial Officer or the  
50 Director of Financial Services of the City.

51 “Bidding Instructions” means the bidding instructions prepared in connection with the sale  
52 of the Certificates pursuant to a competitive sale.

53  
54 “Business Day” means a day other than a Saturday, a Sunday, a legal holiday, or a day on  
55 which banking institutions are authorized by law or executive order to close in the City or the city  
56 where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located.

57 “Certificates” means the certificates of obligation of the City to be issued under authority  
58 of this Ordinance, including the Initial Certificate.

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

60 “Chapter 363” means Chapter 363 of the Texas Health and Safety Code.

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

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

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

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

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

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

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

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

69 “Defeasance Securities” means any securities permitted by Section 1207.062, Texas  
70 Government Code (or any successor statute), including (i) direct, noncallable obligations of the  
71 United States of America, including obligations that are unconditionally guaranteed by the United  
72 States of America, (ii) noncallable obligations of an agency or instrumentality of the United States  
73 of America, including obligations that are unconditionally guaranteed or insured by the agency or  
74 instrumentality and that, on the date of approval of the proceedings authorizing the issuance of the  
75 refunding bonds, are rated as to investment quality by a nationally recognized investment rating  
76 firm not less than “AAA” or its equivalent, and (iii) noncallable obligations of a state or an agency  
77 or a county, municipality, or other political subdivision of a state that have been refunded and that,  
78 on the date of approval of the proceedings authorizing the issuance of the refunding bonds, are

79 rated as to investment quality by a nationally recognized investment rating firm not less than  
80 “AAA” or its equivalent. Such Defeasance Securities may be restricted by an Authorized  
81 Representative as deemed appropriate and may be reflected as such, if applicable, in the final  
82 Official Statement.

83 “Defeased Certificate” means any Certificate and the interest on the Certificate that is  
84 considered to be paid, retired and no longer outstanding under the terms of this Ordinance,  
85 specifically PART 17 of this Ordinance.

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

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

90 “Event of Default” has the meaning described in PART 18 of this Ordinance.

91 “Expiration Date” means the six-month anniversary of the date of adoption of this  
92 Ordinance.

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

95 “Initial Certificate” has the meaning described in PART 12 of this Ordinance.

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

98 “MSRB” means the Municipal Securities Rulemaking Board.

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

101 “Paying Agent/Registrar” means U.S. Bank Trust Company, National Association, and its  
102 successors and assigns as provided in the Paying Agent/Registrar Agreement and the Official  
103 Statement.

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

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

109 “Purchase Agreement” shall mean the Purchase Agreement among the Issuer and the  
110 Underwriters, pertaining to the purchase of the Certificates sold pursuant to a negotiated sale.

111 “Registered Owner” means the owner of any Certificate as recorded in the Registration  
112 Books.

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

115 “Rule” means SEC Rule 15c2-12.

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

117 “Surplus Revenues” shall mean those revenues from the operation of the City’s solid waste  
118 disposal system remaining after payment of all operation and maintenance expenses of the system  
119 and other obligations incurred to which the revenues have been or shall be encumbered by a lien  
120 on and pledge of such revenues superior to the lien on and pledge of the revenues to the  
121 Certificates.

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

125  
126 “Underwriters” shall mean the investment banking firm or firms named in a Purchase  
127 Agreement, if any, relating to the sale of Certificates pursuant to a negotiated sale or the entity or  
128 entities listed in the Official Bid Form, if any, accepted by the City as the best bid for the  
129 Certificates pursuant to a competitive sale.

130  
131 **PART 3. CERTIFICATES AUTHORIZED.**

132 The Certificates shall be issued in accordance with the Constitution, laws of the State of  
133 Texas, and the Charter of the City, in one or more series, in the aggregate principal amount not to  
134 exceed \$290,995,000 for the purposes of (a) financing the Projects described in Schedule I and (b)  
135 paying the costs of issuance associated with the sale of the Certificates. The aggregate principal  
136 amount and the designation of Certificates issued pursuant to this Ordinance shall be set forth in  
137 the Bidding Instructions and the Official Bid Form or the Purchase Agreement. The Certificates  
138 shall be numbered consecutively from R-1 upward, except the Initial Certificate shall be numbered  
139 T-1.

140 **PART 4. SALE PARAMETERS.**

141 (a) The Certificates shall be issued in any Authorized Denomination as fully registered  
142 obligations, without interest coupons, payable to the respective initial registered owners of the  
143 Certificates, or to the registered assignee or assignees of the Certificates, maturing not later than  
144 40 years from their issue date, payable serially or otherwise on the dates, in the years and in the  
145 principal amounts, and dated and numbered, all as set forth in the Official Bid Form or Purchase  
146 Agreement.

147 (b) In accordance with Chapter 1371, each Authorized Representative, acting for and  
148 on behalf of the City, is authorized to seek competitive bids for the sale of the Certificates  
149 authorized to be sold by this Ordinance, and is hereby authorized to prepare and distribute the  
150 Bidding Instructions and the Official Bid Form with respect to seeking competitive bids for the  
151 sale of the Certificates. Each Authorized Representative, acting for and on behalf of the City, is  
152 authorized to negotiate with the Underwriters to complete a negotiated sale of the Certificates  
153 pursuant to the terms and conditions of the Purchase Agreement. The Bidding Instructions or the  
154 Purchase Agreement shall contain the terms and conditions relating to the sale of the Certificates,  
155 including the date bids for the purchase of the Certificates are to be received, the date of the  
156 Certificates, any additional designation or title by which the Certificates shall be known, the  
157 aggregate principal amount of the Certificates to be sold, the price at which the Certificates will  
158 be sold, the years in which the Certificates will mature, the rate or rates of interest to be borne by  
159 each such maturity, the interest payment periods, and all other matters relating to the issuance, sale  
160 and delivery of the Certificates so sold including, without limitation, the use of municipal bond  
161 insurance for the Certificates. The Certificates shall bear interest at the rates per annum set forth  
162 in the Official Bid Form accepted as the best bid or the Purchase Agreement. The interest on the  
163 Certificates shall be payable to the Registered Owner of any Certificate on the dates and in the  
164 manner provided in Exhibit A. Interest on the Certificates shall be payable on the dates set forth  
165 in the Official Bid Form or Purchase Agreement, until maturity or prior redemption. Each  
166 Authorized Representative, acting for and on behalf of the City, is hereby authorized to receive  
167 and accept bids for the sale of Certificates in accordance with the Bidding Instructions on such  
168 date as determined by an Authorized Representative or to negotiate the sale of the Certificates  
169 pursuant to the terms of the Purchase Agreement. The Certificates shall be sold at a competitive  
170 or negotiated sale at such price as an Authorized Representative shall determine to be the most  
171 advantageous to the City, which determination shall be evidenced by the execution of the Official  
172 Bid Form submitted by the best and winning bidder or the Purchase Agreement. One Certificate  
173 in the principal amount maturing on each maturity date as set forth in the Official Bid Form or  
174 Purchase Agreement shall be delivered to the Underwriters, and the Underwriters shall have the  
175 right to exchange such Certificates as provided in PART 7 of this Ordinance without cost. Exhibit  
176 A shall be revised to reflect the terms of the sale of the Certificates as reflected in the Official Bid  
177 Form accepted as the best bid for the Certificates or in the Purchase Agreement. The Certificates  
178 shall initially be registered in the name as set forth in the Official Bid Form or Purchase Agreement.  
179 In case any officer whose signature shall appear on the Certificates shall cease to be such officer  
180 before the delivery of the Certificates, the signature shall be valid and sufficient for all purposes  
181 the same as if the officer had remained in office until delivery. An Authorized Representative  
182 shall not execute the Official Bid Form or the Purchase Agreement unless the applicable  
183 Underwriter has confirmed to an Authorized Representative that either it has made disclosure  
184 filings to the Texas Ethics Commission in accordance with Section 2252.908, Texas Government  
185 Code or is exempt from making such filings under Section 2252.908(c)(4), Texas Government  
186 Code. Within thirty (30) days of receipt of any disclosure filings from the best bidder for the  
187 Certificates, the City will acknowledge such disclosure filings in accordance with the rules of the  
188 Texas Ethics Commission. Any finding or determination made by an Authorized Representative  
189 relating to the issuance and sale of the Certificates shall have the same force and effect as a finding  
190 or determination made by Council; *provided*, that (i) the price to be paid for the Certificates shall  
191 not be less than 95% of the aggregate principal amount of the Certificates sold, plus accrued  
192 interest, if any, (ii) the Certificates shall not bear interest at a rate greater than the maximum rate

193 allowed by Chapter 1204, (iii) the Certificates shall not have a final maturity beyond September  
194 1, 2045, and (iv) prior to the execution of the Official Bid Form or the Purchase Agreement by an  
195 Authorized Representative, the Certificates shall be rated by a nationally recognized rating agency  
196 for municipal securities in one of the four highest rating categories for long-term debt instruments.

197 An Authorized Representative may approve modifications to this Ordinance to conform to  
198 the terms of the Certificates, as approved by the Authorized Representative, and execute any  
199 instruments, agreements and other documents as the Authorized Representative shall deem  
200 necessary or appropriate in connection with the issuance, sale and delivery of Certificates pursuant  
201 to this Ordinance.

202 It is in the best interests of the City for the Certificates to be sold through a competitive or  
203 negotiated sale, and Council authorizes each Authorized Representative, individually but not  
204 collectively, to execute the Official Bid Form or Purchase Agreement to evidence the acceptance  
205 by the City of the terms and conditions relating to the sale of the Certificates, at the price the  
206 Authorized Representative executing the Official Bid Form or Purchase Agreement determines to  
207 be the most advantageous to the City. The conditions set forth in PART 13 of this Ordinance must  
208 be met prior to any Authorized Representative executing the Official Bid Form to evidence the  
209 acceptance by the City of the best and winning bid submitted or the Purchase Agreement.

210 The authority of an Authorized Representative to execute the Official Bid Form or  
211 Purchase Agreement shall expire at 11:59 p.m. on the Expiration Date. Certificates sold pursuant  
212 to the Bidding Instructions and an Official Bid Form or the Purchase Agreement executed on or  
213 before the Expiration Date may be delivered after the Expiration Date.

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

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

223 **PART 5. REDEMPTION PROVISIONS.**

224 (a) The Certificates may be subject to redemption, at the option of the City, prior to  
225 their stated maturities to the extent and in the manner provided in the Bidding Instructions and the  
226 Official Bid Form or the Purchase Agreement. The years of maturity of the Certificates called for  
227 redemption at the option of the City prior to stated maturity shall be selected by the City. The  
228 Certificates or any portion redeemed within a maturity shall be selected by lot, or other customary  
229 random selection method, by the Paying Agent/Registrar; *provided*, that during any period in  
230 which ownership of the Certificates is determined only by a book entry at DTC, if fewer than all  
231 of the Certificates of the same maturity and bearing the same interest rate are to be redeemed, the

232 particular Certificates of such maturity and bearing such interest rate shall be selected in  
233 accordance with the arrangements between the City and DTC.

234 (b) The Certificates may be subject to mandatory sinking fund redemption prior to their  
235 stated maturities, to the extent and in the manner provided in the Official Bid Form or Purchase  
236 Agreement.

237 (c) At least thirty (30) days before the date fixed for redemption, the City shall cause a  
238 written notice of the redemption to be deposited in the United States mail, first-class postage  
239 prepaid, addressed to each Registered Owner at the address shown on the Registration Books. By  
240 the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for the  
241 payment of the required redemption price for the Certificates which are to be redeemed, plus  
242 accrued interest to the date fixed for redemption. If the notice of redemption is given, and if  
243 provision for payment is made, all as provided above, the Certificates, or the portions of the  
244 Certificates, which are to be redeemed, automatically shall be redeemed prior to their scheduled  
245 maturities, and shall not bear interest after the date fixed for their redemption, and shall not be  
246 regarded as outstanding except for the right of the Registered Owner to receive the redemption  
247 price plus accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of  
248 the funds provided for payment. The Paying Agent/Registrar shall record in the Registration Books  
249 all redemptions of principal of the Certificates or any portion of the principal. If a portion of any  
250 Certificate shall be redeemed, one or more substitute Certificates having the same maturity date,  
251 bearing interest at the same rate, in any Authorized Denomination, at the written request of the  
252 Registered Owner, and in an aggregate principal amount equal to the unredeemed portion of the  
253 Certificates, will be issued to the Registered Owner upon the surrender for cancellation, at the  
254 expense of the City, all as provided in this Ordinance. In addition, the City shall cause the Paying  
255 Agent/Registrar to give notice of any redemption in the manner set forth in PART 5. The failure  
256 to cause notice to be given, however, or any defect in the notice, shall not affect the validity or  
257 effectiveness of the redemption. Unless the Paying Agent/Registrar has received funds sufficient  
258 to pay the redemption price of the Certificates to be redeemed before giving of a notice of  
259 redemption, the notice of redemption may state the City may condition redemption on the receipt  
260 by the Paying Agent/Registrar of sufficient funds on or before the date fixed for the redemption,  
261 or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a notice of  
262 conditional redemption is given and such prerequisites to the redemption and sufficient funds are  
263 not received, the notice shall be of no force and effect, the City shall not redeem the Certificates  
264 and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption  
265 was given, that the Certificates have not been redeemed.

266  
267 (d) If a notice of redemption is given and sufficient funds are not received for the  
268 payment of the required redemption price for the Certificates which are to be redeemed, the notice  
269 shall be of no force and effect, the City shall not redeem the Certificates, and the Paying  
270 Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, that  
271 the Certificates have not been redeemed.

272 (e) Each redemption notice required by this Ordinance shall contain a description of  
273 the Certificates to be redeemed, including the complete name of the Certificates, the series, the  
274 date of issue, the interest rate, the maturity date, the CUSIP number, the amounts of the Certificates  
275 called for redemption, the date of redemption, the redemption price, the name of the Paying

276 Agent/Registrar and the address at which the Certificate may be redeemed, including a contact  
277 person and telephone number. This notice may also state that the redemption is conditioned upon  
278 receipt of sufficient funds for the payment of the required redemption price for the Certificates  
279 which are to be redeemed by the date fixed for redemption. All redemption payments made by the  
280 Paying Agent/Registrar to the Registered Owner of the Certificates shall include CUSIP numbers  
281 relating to each amount paid to such Registered Owner.

282 **PART 6. INTEREST.**

283 The Certificates shall bear interest at the rates per annum set forth in the Official Bid Form  
284 or Purchase Agreement. The interest shall be payable to the Registered Owner of any Certificate  
285 in the manner provided and on the dates stated in the Official Bid Form or Purchase Agreement.  
286 Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

287 **PART 7. ADDITIONAL CHARACTERISTICS OF THE CERTIFICATES.**

288 (a) The City shall keep, or cause to be kept, at the Designated Payment/Transfer Office,  
289 the Registration Books, and the Paying Agent/Registrar shall act as the registrar and transfer agent  
290 for the City to keep books or records and make the transfers and registrations under the reasonable  
291 regulations as the City and the Paying Agent/Registrar may prescribe; and the Paying  
292 Agent/Registrar shall make transfers and registrations as provided in this Ordinance. It shall be the  
293 duty of the Paying Agent/Registrar to obtain from the Registered Owner and record in the  
294 Registration Books the address of the Registered Owner to which payments with respect to the  
295 Certificates shall be mailed, as provided in this Ordinance. The City, or its designee, shall have  
296 the right to inspect the Registration Books during regular business hours of the Paying  
297 Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books  
298 confidential and, unless otherwise required by law, shall not permit their inspection by any other  
299 entity. Ownership of each Certificate may be transferred in the Registration Books only upon  
300 presentation and surrender of the Certificate to the Paying Agent/Registrar for transfer of  
301 registration and cancellation, together with proper written instruments of assignment, in form and  
302 with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing the assignment  
303 of the Certificate, or any portion of the Certificate, in any Authorized Denomination, to the  
304 assignee or assignees, and the right of the assignee or assignees to have the Certificate or any  
305 portion of the Certificate registered in the name of the assignee or assignees. Upon the assignment  
306 and transfer of any Certificate, a new substitute obligation or Certificates shall be issued in  
307 exchange for the Certificate in the manner provided in this Ordinance.

308 (b) The entity in whose name any Certificate shall be registered in the Registration  
309 Books at any time shall be treated as the absolute owner of the Certificate for all purposes of this  
310 Ordinance, whether the Certificate shall be overdue, and the City and the Paying Agent/Registrar  
311 shall not be affected by any notice to the contrary; and payment of, or on account of, the principal  
312 of, premium, if any, and interest on any Certificate shall be made only to the Registered Owner.  
313 All payments shall be valid and effectual to satisfy and discharge the liability on the Certificate to  
314 the extent of the sum or sums so paid.

315 (c) The Paying Agent/Registrar shall act as the paying agent for paying the principal  
316 of, premium, if any, and interest on, the Certificates, and to act as the agent of the City to exchange

317 or replace Certificates, all as provided in this Ordinance. The Paying Agent/Registrar shall keep  
318 proper records of all payments made by the City and the Paying Agent/Registrar with respect to  
319 the Certificates, and of all exchanges and replacements, as provided in this Ordinance.

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

362 exchange any Certificate selected for redemption, in whole or in part, within 45 calendar days of  
363 the date fixed for redemption; *provided, however*; the limitation of transfer shall not be applicable  
364 to an exchange by the Registered Owner of the uncalled principal of a Certificate.

365 (e) All Certificates issued in exchange or replacement of any other Certificate or  
366 portion of a Certificate (i) shall be issued in fully registered form, without interest coupons, with  
367 the principal of and interest on the Certificates to be payable only to the Registered Owners,  
368 (ii) may be redeemed prior to their scheduled maturities, (iii) may be transferred and assigned,  
369 (iv) may be exchanged for other Certificates, (v) shall have the characteristics, (vi) shall be signed  
370 and sealed, and (vii) the principal of and interest on the Certificates shall be payable, all as  
371 provided, and in the manner required or indicated in this Ordinance and the Official Bid Form or  
372 Purchase Agreement.

373 (f) The City shall pay the Paying Agent/Registrar's reasonable and customary fees and  
374 charges for making transfers of Certificates, but the Registered Owner of any Certificate requesting  
375 the transfer shall pay any taxes or other governmental charges required for the transfer. The  
376 Registered Owner of any Certificate requesting any exchange shall pay the Paying  
377 Agent/Registrar's reasonable and standard or customary fees and charges for exchanging any  
378 Certificate or a portion of a Certificate, together with any required taxes or governmental charges,  
379 all as a condition precedent to the exercise of the privilege of exchange, except in the case of the  
380 exchange of an assigned and transferred Certificate or Certificates or any portion or portions in  
381 any Authorized Denomination, the fees and charges will be paid by the City. In addition, the City  
382 covenants with the Registered Owners of the Certificates that it will (i) pay the reasonable and  
383 standard or customary fees and charges of the Paying Agent/Registrar for its services with respect  
384 to the payment of the principal of and interest on the Certificates, when due, and (ii) pay the fees  
385 and charges of the Paying Agent/Registrar for services with respect to the transfer or registration  
386 of Certificates, and with respect to the exchange of Certificates solely to the extent stated above.

387 (g) An Authorized Representative is authorized to execute and deliver the Paying  
388 Agent/Registrar Agreement. The City covenants with the Registered Owners of the Certificates  
389 that at all times while the Certificates are outstanding the City will provide a competent and legally  
390 qualified bank, trust company, or other entity duly qualified and legally authorized to act as and  
391 perform the services of Paying Agent/Registrar for the Certificates under this Ordinance, and that  
392 the Paying Agent/Registrar will be one entity. The City reserves the right to, and may, at its option,  
393 change the Paying Agent/Registrar upon not less than 60 days' written notice to the Paying  
394 Agent/Registrar. In the event that the entity at any time acting as Paying Agent/Registrar (or its  
395 successor by merger, acquisition, or other method) should resign or otherwise stop acting as such,  
396 the City covenants that it will promptly appoint a competent and legally qualified national or state  
397 banking institution organized and doing business under the laws of the United States of America  
398 or of any state, authorized under the laws to exercise trust powers, subject to supervision or  
399 examination by federal or state authority, and whose qualifications substantially are similar to the  
400 previous Paying Agent/Registrar to act as Paying Agent/Registrar under this Ordinance. Upon any  
401 change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer  
402 and deliver the Registration Books (or a copy of these Registration Books), along with all other  
403 pertinent books and records relating to the Certificates, to the new Paying Agent/Registrar  
404 designated and appointed by the City. Upon any change in the Paying Agent/Registrar, the City  
405 promptly will cause a written notice to be sent by the new Paying Agent/Registrar to each

406 Registered Owner of the Certificates, by United States mail, first-class postage prepaid, which  
407 notice also shall give the address of the new Paying Agent/Registrar. By accepting the position  
408 and performing as such, each Paying Agent/Registrar shall be considered to have agreed to the  
409 provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each  
410 Paying Agent/Registrar.

411 **PART 8. FORM OF CERTIFICATES.**

412 The Certificates shall be signed with the manual or facsimile signatures of the Mayor and  
413 the City Clerk, and the seal of the City shall be affixed or impressed on the Certificates. The form  
414 of all Certificates, including the form of the Comptroller's Registration Certificate to accompany  
415 the Initial Certificate, the form of the Authentication Certificate, and the Form of Assignment to  
416 be printed on each Certificate, shall be, respectively, substantially in the form set forth in Exhibit  
417 A, with such appropriate variations, omissions, or insertions as are permitted or required by this  
418 Ordinance and the Official Bid Form or Purchase Agreement.

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

420 (a) The Interest and Sinking Fund (which may include the designation or title by which  
421 a series of Certificates shall be known, as determined pursuant to PART 4(b) of this Ordinance) is  
422 created and it shall be established and maintained at an official depository of the City. The Interest  
423 and Sinking Fund shall be kept separate and apart from all other funds and accounts of the City  
424 and shall be used only for paying the interest on and principal of the Certificates. All ad valorem  
425 taxes levied and collected for and on account of the Certificates shall be deposited, as collected, to  
426 the credit of the Interest and Sinking Fund. During each year while any Certificate is outstanding  
427 and unpaid, Council shall compute and ascertain the rate and amount of ad valorem tax, based on  
428 the latest approved tax rolls of the City, with full allowances being made for tax delinquencies and  
429 costs of tax collections, which will be sufficient to raise and produce the money required to pay  
430 the interest on the Certificates as the interest comes due, and to provide a sinking fund to pay the  
431 principal (including mandatory sinking fund redemption payments, if any) of the Certificates as  
432 the principal matures, but never less than 2% of the outstanding principal amount of the Certificates  
433 as a sinking fund each year. The rate and amount of ad valorem tax needed to fund this obligation  
434 is ordered to be and is hereby levied against all taxable property in the City for each year while  
435 any Certificate is outstanding and unpaid, and the ad valorem tax shall be assessed and collected  
436 each year and deposited to the credit of the Interest and Sinking Fund. The ad valorem taxes  
437 necessary to pay the interest on and principal of the Certificates, as the interest comes due, and the  
438 principal matures or comes due through operation of the mandatory sinking fund redemption, if  
439 any, as provided in the Official Bid Form or Purchase Agreement, are pledged for this purpose,  
440 within the limit set by law. The City appropriates from current funds on hand and directs the  
441 transfer for deposit into the Interest and Sinking Fund moneys as may be necessary to pay debt  
442 service on the Certificates scheduled to occur prior to receipt of taxes levied to pay such debt  
443 service. Money in the Interest and Sinking Fund, at the option of the City, may be invested in the  
444 securities or Certificates as permitted under applicable law and the City's investment policy. Any  
445 securities or Certificates in which money is invested shall be kept and held in trust for the benefit  
446 of the owners of the Certificates and shall be sold and the proceeds of sale shall be timely applied  
447 to the making of all payments required to be made from the Interest and Sinking Fund. Interest

448 and income derived from the investment of money in the Interest and Sinking Fund shall be  
449 credited to the Interest and Sinking Fund.

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

453 **PART 10. REVENUES; APPLICABILITY OF CHAPTER 1208.**

454 (a) The Certificates are additionally secured by and shall be payable from the Surplus  
455 Revenues. The Surplus Revenues are pledged by the City pursuant to authority of Chapter 363,  
456 specifically Section 363.135. The City shall promptly deposit the Surplus Revenues on their  
457 receipt to the credit of the Interest and Sinking Fund created pursuant to PART 9, to pay the  
458 principal and interest on the Certificates. The amount of Surplus Revenues pledged to the payment  
459 of the Certificates shall not exceed \$1,000.

460 (b) Chapter 1208 applies to the issuance of the Certificates and the pledge of ad  
461 valorem taxes and the Surplus Revenues granted by the City under PARTS 9 and 10 of this  
462 Ordinance, and the pledge is valid, effective, and perfected. If Texas law is amended at any time  
463 while the Certificates are outstanding and unpaid so that the pledge of the ad valorem taxes and  
464 Surplus Revenues granted by the City is to be subject to the filing requirements of Chapter 9, then  
465 to preserve to the registered owners of the Certificates the perfection of the security interest in the  
466 pledge, the City agrees to take such measures as it determines are reasonable and necessary under  
467 Texas law to comply with the applicable provisions of Chapter 9 and enable a filing to perfect the  
468 security interest in the pledge.

469 **PART 11. DAMAGED, LOST, STOLEN OR DESTROYED CERTIFICATES.**

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

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

484 (c) Notwithstanding clauses (a) and (b), in the event any Certificate shall have matured,  
485 and there is no continuing default in the payment of the principal of, premium, if any, or interest  
486 on the Certificate, the City may authorize its payment (without surrender except in the case of a

487 damaged or mutilated Certificate) instead of issuing a replacement Certificate, provided security  
488 or indemnity is furnished as above provided in this PART.

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

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

504 **PART 12. SUBMISSION OF PROCEEDINGS TO ATTORNEY GENERAL.**

505 The Mayor, or his designee, and each Authorized Representative, is authorized to have  
506 control of the Certificates and all necessary records and proceedings pertaining to the Certificates  
507 pending their delivery and their investigation, examination and approval by the Texas Attorney  
508 General and their registration by the Comptroller. The City shall submit a single certificate of  
509 obligation to the Texas Attorney General, in the aggregate principal amount of the Certificates  
510 sold and containing the interest rates and schedule of principal payment dates, all as set forth in  
511 the Official Bid Form or Purchase Agreement (the "Initial Certificate"). Upon registration of the  
512 Initial Certificate, the Comptroller (or a deputy designated in writing to act for the Comptroller)  
513 shall manually sign the Comptroller's Registration Certificate accompanying the Initial  
514 Certificate, and the seal of the Comptroller shall be impressed, or placed in facsimile, on the Initial  
515 Certificate. The Initial Certificate shall be numbered T-1. After registration by the Comptroller,  
516 delivery of the Certificates shall be made to the Underwriters, under and subject to the general  
517 supervision and direction of the Mayor or an Authorized Representative, against receipt by the  
518 City of all amounts due to the City under the terms of sale, and the Initial Certificate shall be  
519 cancelled. Council authorizes the payment of the fee of the Office of the Attorney General of the  
520 State of Texas for the examination of the proceedings relating to the issuance of the Certificates,  
521 in the amount determined in accordance with the provisions of Section 1202.004, Texas  
522 Government Code.

523 **PART 13. SALE OF CERTIFICATES; OFFICIAL STATEMENT.**

524 (a) The Certificates shall be sold to the Underwriters at the price set forth in the Official  
525 Bid Form or Purchase Agreement, and delivery of the Certificates to the Underwriters shall be  
526 made upon receipt of payment in accordance with the terms of the Official Bid Form or Purchase  
527 Agreement. An Authorized Representative is authorized and directed to execute the Official Bid

528 Form or Purchase Agreement on behalf of the City, and the Mayor, Mayor Pro Tem, City Manager,  
529 Chief Financial Officer, Director of Financial Services, City Clerk and all other officials, agents  
530 and representatives of the City are authorized to execute and deliver such agreements, certificates,  
531 instruments and other documents, and do any and all things necessary or desirable to satisfy the  
532 conditions set out in the documents, to provide for the issuance and delivery of the Certificates.

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

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

551 (d) Proceeds from the sale of the Certificates shall be disbursed in the amounts and for  
552 the purposes set forth in the closing letter of instructions. An Authorized Representative may  
553 provide for the establishment of any fund, account or subaccount as deemed necessary or  
554 appropriate for the safekeeping and administration of proceeds from the sale of the Certificates  
555 pending their disbursement for authorized purposes.

556 (e) An Authorized Representative shall not execute the Official Bid Form or Purchase  
557 Agreement unless each of the Underwriters has confirmed to an Authorized Representative that  
558 either it has made disclosure filings to the Texas Ethics Commission in accordance with Section  
559 2252.908, Texas Government Code or is exempt from making filings under Section  
560 2252.908(c)(4), Texas Government Code. Within thirty (30) days of receipt of the execution of  
561 the Official Bid Form or Purchase Agreement, disclosure filings received from any of the  
562 Underwriters will be acknowledged by the City in accordance with the rules of the Texas Ethics  
563 Commission.

564 **PART 14. COVENANTS TO MAINTAIN TAX EXEMPT STATUS.**

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

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

(b) to take any action to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of the Certificates or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate", within the meaning of section 141(b)(3) of the Code, to the governmental use;

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

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

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

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

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

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

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

615 (g) to otherwise restrict the use of the proceeds of the Certificates or amounts  
616 treated as proceeds of the Certificates, as may be necessary, so that the Certificates do not  
617 otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);  
618

619 (h) to refrain from using the proceeds of the Certificates or the proceeds of any  
620 prior obligations to pay debt service on another issue more than ninety (90) days after the  
621 issuance of the Certificates in contravention of section 149(d) of the Code (relating to  
622 advance refundings); and  
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624 (i) to pay to the United States of America at least once during each five-year  
625 period (beginning on the date of delivery of the Certificates) an amount that is at least equal  
626 to 90 percent of the "excess earnings", within the meaning of section 148(f) of the Code,  
627 and to pay to the United States of America, not later than 60 days after the Certificates have  
628 been paid in full, 100 percent of the amount then required to be paid as a result of Excess  
629 Earnings under section 148(f) of the Code.  
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631 The City understands that the term "proceeds" includes "disposition proceeds" as defined in the  
632 Treasury Regulations. It is the understanding of the City that the covenants contained herein are  
633 intended to assure compliance with the Code and any regulations or rulings promulgated by the  
634 U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are  
635 hereafter promulgated which modify or expand provisions of the Code, as applicable to the  
636 Certificates, the City will not be required to comply with any covenant contained herein to the  
637 extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not  
638 adversely affect the exemption from federal income taxation of interest on the Certificates under  
639 section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which  
640 impose additional requirements which are applicable to the Certificates, the City agrees to comply  
641 with the additional requirements to the extent necessary, in the opinion of nationally-recognized  
642 bond counsel, to preserve the exemption from federal income taxation of interest on the  
643 Certificates under section 103 of the Code. In furtherance of the foregoing, the Mayor, the City  
644 Manager, any Assistant City Manager, the Chief Financial Officer, any Deputy Chief Financial  
645 Officer, Director of Financial Services and the City Treasurer may execute any certificates or other  
646 reports required by the Code and make such elections, on behalf of the City, which may be  
647 permitted by the Code as are consistent with the purpose for the issuance of the Certificates. In  
648 order to facilitate compliance with the above clause (i), a "Rebate Fund" is hereby established by  
649 the City for the sole benefit of the United States of America, and such Rebate Fund shall not be  
650 subject to the claim of any other person, including without limitation the registered owners of the  
651 Certificates. The Rebate Fund is established for the additional purpose of compliance with section  
652 148 of the Code.  
653

654 The City covenants to account for on its books and records the expenditure of proceeds  
655 from the sale of the Certificates and any investment earnings thereon to be used to finance the  
656 Projects described in Schedule I by allocating proceeds to expenditures within eighteen (18)  
657 months of the later of the date that (a) the expenditure on a Project is made or (b) each Project is  
658 completed. The City shall not expend such proceeds or investment earnings more than 60 days  
659 after the later of (a) the fifth anniversary of the date of delivery of the Certificates or (b) the date  
660 the Certificates are retired, unless the City obtains an opinion of nationally-recognized bond

661 counsel substantially to the effect that the expenditure will not adversely affect the tax-exempt  
662 status of the Certificates. The City shall not be obligated to comply with this covenant if it obtains  
663 an opinion of nationally-recognized bond counsel to the effect that the failure to comply will not  
664 adversely affect the excludability for federal income tax purposes from gross income of the  
665 interest.

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667 The City covenants that the property financed or refinanced with the proceeds of the  
668 Certificates will not be sold or otherwise disposed in a transaction resulting in the receipt by the  
669 City of cash or other compensation, unless the City obtains an opinion of nationally-recognized  
670 bond counsel substantially to the effect that such sale or other disposition will not adversely affect  
671 the tax-exempt status of the Certificates. The portion of the property comprising personal property  
672 and disposed of in the ordinary course of business shall not be treated as a transaction resulting in  
673 the receipt of cash or other compensation. The City shall not be obligated to comply with this  
674 covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that the failure  
675 to comply will not adversely affect the excludability for federal income tax purposes from gross  
676 income of the interest.

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678 **PART 15. CONTINUING DISCLOSURE OBLIGATION.**

679 (a) *Annual Reports.*

680 (i) The City shall provide annually to the MSRB, (A) within six months after  
681 the end of each fiscal year of the City, financial information and operating data with respect  
682 to the City of the general type included in the final Official Statement authorized by  
683 PART 13 of this Ordinance, being information of the type described and referenced in the  
684 final Official Statement, including financial statements of the City if audited financial  
685 statements of the City are then available, and (B) if not provided as part of the financial  
686 information and operating data, audited financial statements of the City, when and if  
687 available. Any financial statements to be provided shall be (x) prepared in accordance with  
688 the accounting principles described in the final Official Statement, or other accounting  
689 principles as the City may be required to employ from time to time pursuant to state law or  
690 regulation, and in substantially the form included in the final Official Statement, and  
691 (y) audited, if the City commissions an audit of its financial statements and the audit is  
692 completed within the period during which they must be provided. If the audit of financial  
693 statements is not complete within 12 months after any fiscal year end, then the City shall  
694 file unaudited financial statements within the 12-month period and audited financial  
695 statements for the applicable fiscal year, when and if the audit report on the financial  
696 statements becomes available.

697 (ii) If the City changes its fiscal year, it will notify the MSRB of the change  
698 (and of the date of the new fiscal year end) before the next date the City would be required  
699 to provide financial information and operating data pursuant to this PART.

700 The financial information and operating data to be provided pursuant to this PART  
701 may be set forth in full in one or more documents or may be included by specific reference  
702 to any document (including an official statement or other offering document) available to

703 the public on the MSRB's website or filed with the SEC. Filings shall be made  
704 electronically, accompanied by identifying information as prescribed by the MSRB.

705 (b) *Disclosure Event Notices.* The City shall notify the MSRB in an electronic format  
706 prescribed by the MSRB, in a timely manner not in excess of 10 Business Days after the occurrence  
707 of the event, of any of the following events with respect to the Certificates:

- 708 (i) Principal and interest payment delinquencies;
- 709 (ii) Non-payment related defaults, if material;
- 710 (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- 711 (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- 712 (v) Substitution of credit or liquidity providers, or their failure to perform;
- 713 (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of  
714 proposed or final determinations of taxability, Notices of Proposed Issue  
715 (IRS Form 5701-TEB) or other material notices or determinations with  
716 respect to the tax status of the Certificates, or other material events affecting  
717 the tax status of the Certificates;
- 718 (vii) Modifications to rights of holders of the Certificates, if material;
- 719 (viii) Certificate calls, if material, and tender offers;
- 720 (ix) Defeasances;
- 721 (x) Release, substitution, or sale of property securing repayment of the  
722 Certificates, if material;
- 723 (xi) Rating changes;
- 724 (xii) Bankruptcy, insolvency, receivership or similar event of the City;
- 725 (xiii) The consummation of a merger, consolidation, or acquisition involving the  
726 City or the sale of all or substantially all of the assets of the City, other than  
727 in the ordinary course of business, the entry into a definitive agreement to  
728 undertake such an action or the termination of a definitive agreement  
729 relating to any such actions, other than pursuant to its terms, if material;
- 730 (xiv) Appointment of a successor trustee or change in the name of the trustee, if  
731 material;
- 732 (xv) Incurrence of a Financial Obligation of the Obligated Person, if material, or  
733 agreement to covenants, events of default, remedies, priority rights, or other  
734 similar terms of a Financial Obligation of the Obligated Person, any of  
735 which affect security holders, if material; and
- 736 (xvi) Default, event of acceleration, termination event, modification of terms, or  
737 other similar event under the terms of a Financial Obligation of the  
738 Obligated Person, and which reflect financial difficulties.

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

742 As used in clause (xii) above, the phrase "bankruptcy, insolvency, receivership or similar  
743 event" means the appointment of a receiver, fiscal agent or similar officer for the City in a  
744 proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law  
745 in which a court or governmental authority has assumed jurisdiction over substantially all of the

746 assets or business of the City, or if jurisdiction has been assumed by leaving Council and officials  
747 or officers of the City in possession but subject to the supervision and orders of a court or  
748 governmental authority, or the entry of an order confirming a plan of reorganization, arrangement  
749 or liquidation by a court or governmental authority having supervision or jurisdiction over  
750 substantially all of the assets or business of the City.

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

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764 (c) *Limitations, Disclaimers, and Amendments.* The City shall be obligated to observe  
765 and perform the covenants named in this PART for only so long as the City remains an "obligated  
766 person" with respect to the Certificates within the meaning of the Rule, except that the City will  
767 give written notice of any deposit made in accordance with this Ordinance, or applicable law, that  
768 causes any Certificate no longer to be outstanding.

769 The provisions of this PART are for the sole benefit of the holders and beneficial owners  
770 of the Certificates, and nothing in this PART, express or implied, shall give any benefit or any  
771 legal or equitable right, remedy, or claim to any other person. The City undertakes to provide only  
772 the financial information, operating data, financial statements, and notices which it has expressly  
773 agreed to provide pursuant to this PART and does not undertake to provide any other information  
774 that may be relevant or material to a complete presentation of the City's financial results, condition,  
775 or prospects or to update any information provided in accordance with this PART or otherwise,  
776 except as expressly provided in this Ordinance. The City does not make any representation or  
777 warranty concerning the information or its usefulness to a decision to invest in or sell Certificates  
778 at any future date.

779 UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER  
780 OR BENEFICIAL OWNER OF ANY OBLIGATION OR ANY OTHER PERSON, IN  
781 CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM  
782 ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS  
783 PART, OF ANY COVENANT SPECIFIED IN THIS PART, BUT EVERY RIGHT AND  
784 REMEDY OF ANY PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY  
785 BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC  
786 PERFORMANCE.

787 No default by the City in observing or performing its obligations under this PART shall  
788 comprise a breach of or default under this Ordinance for purposes of any other provision of this

789 Ordinance. Nothing in this PART is intended or shall act to disclaim, waive, or otherwise limit  
790 the duties of the City under federal and state securities laws.

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

812 **PART 16. DTC REGISTRATION.**

813 The Certificates initially shall be issued and delivered in the manner that no physical  
814 distribution of the Certificates will be made to the public, and DTC initially will act as depository  
815 for the Certificates. DTC has represented that it is a limited purpose trust company incorporated  
816 under the laws of the State of New York, a member of the Federal Reserve System, a “clearing  
817 corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing  
818 agency” registered under Section 17A of the Securities Exchange Act of 1934, as amended, and  
819 the City accepts, but in no way verifies, the representations of DTC. The Certificates initially  
820 authorized by this Ordinance intended to be held by DTC shall be delivered to and registered in  
821 the name of Cede & Co., the nominee of DTC. It is expected that DTC will hold the Certificates  
822 on behalf of the Underwriters and their participants. So long as each Certificate is registered in  
823 the name of Cede & Co., the Paying Agent/Registrar shall treat and deal with DTC the same in all  
824 respects as if it were the actual and beneficial owner. It is expected that DTC will maintain a book-  
825 entry system, which will identify ownership of the Certificates in Authorized Denominations, with  
826 transfers of ownership being effected on the records of DTC and its participants pursuant to rules  
827 and regulations established by them, and that the Certificates initially deposited with DTC shall be  
828 immobilized and not be further exchanged for substitute Certificates except as set forth in this  
829 Ordinance. The City and the Paying Agent/Registrar are not responsible or liable for any functions  
830 of DTC, will not be responsible for paying any fees or charges with respect to its services, will not  
831 be responsible or liable for maintaining, supervising, or reviewing the records of DTC or its  
832 participants, or protecting any interests or rights of the beneficial owners of the Certificates. It

833 shall be the duty of the DTC Participants, as defined in the Official Statement, to make all  
834 arrangements with DTC to establish this book-entry system, the beneficial ownership of the  
835 Certificates, and the method of paying the fees and charges of DTC. The City does not represent,  
836 nor does it in any way covenant that the initial book-entry system established with DTC will be  
837 maintained in the future. Notwithstanding the initial establishment of the foregoing book-entry  
838 system with DTC, if for any reason any of the originally delivered Certificates is duly filed with  
839 the Paying Agent/Registrar with proper request for transfer and substitution, as provided for in this  
840 Ordinance, substitute Certificates will be duly delivered as provided in this Ordinance, and there  
841 will be no assurance or representation that any book-entry system will be maintained for the  
842 Certificates. In connection with the initial establishment of the foregoing book-entry system with  
843 DTC, the City has executed a “Blanket Letter of Representations” prepared by DTC in order to  
844 implement the book-entry system described above.

845 **PART 17. DEFEASANCE.**

846 (a) *Defeased Certificates.* Any Certificate will be treated as a Defeased Certificate,  
847 except to the extent provided in subsection (d) of this PART, when payment of the principal of the  
848 Certificate, plus interest to the due date (whether the due date be by reason of maturity, redemption  
849 or otherwise) either (i) shall have been made or caused to be made in accordance with the terms of  
850 this Ordinance, or (ii) shall have been provided for on or before the due date by irrevocably  
851 depositing with or making available to the Paying Agent/Registrar or any commercial bank or trust  
852 company authorized to serve as escrow agent for the Certificates in accordance with a Future  
853 Escrow Agreement for the payment of the Certificate (1) lawful money of the United States of  
854 America sufficient to make the payment or (2) Defeasance Securities to mature as to principal and  
855 interest in the amounts and at the time as will ensure the availability, without reinvestment, of  
856 sufficient money to provide for the payment, and when proper arrangements have been made by  
857 the City with the Paying Agent/Registrar for the payment of its services until all Defeased  
858 Certificates shall have become due and payable. There shall be delivered to the Paying  
859 Agent/Registrar a certificate of a qualified financial professional or a report from a firm of certified  
860 public accountants evidencing the sufficiency of the deposit made pursuant to clause (ii) above.  
861 At the time a Certificate shall be considered to be a Defeased Certificate, the Certificate and the  
862 interest on that Certificate shall no longer be secured by, payable from, or entitled to the benefits  
863 of the ad valorem taxes levied and pledged as provided in this Ordinance, and the principal and  
864 interest shall be payable solely from the money or Defeasance Securities.

865 (b) *Investment in Defeasance Securities.* Any funds deposited with the Paying  
866 Agent/Registrar may at the written direction of the City be invested in Defeasance Securities,  
867 maturing in the amounts and times as set forth in this Ordinance, and all income from these  
868 Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment  
869 of the Certificates and interest, with respect to which money has been deposited, shall be turned  
870 over to the City, or deposited as directed in writing by the City. Any Future Escrow Agreement  
871 pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased  
872 Certificates may contain provisions permitting the investment or reinvestment of the moneys in  
873 Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of  
874 the requirements described in subsections (a) (i) or (ii) of this PART. All income from the  
875 Defeasance Securities received by the Paying Agent/Registrar which is not required for the  
876 payment of the Defeased Certificates, with respect to which money has been so deposited, shall be

877 remitted to the City or deposited as directed in writing by the City. The Paying Agent/Registrar  
878 shall not be liable for any loss pertaining to an investment executed in accordance with written  
879 instructions from the City.

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

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

888 **PART 18. DEFAULT AND REMEDIES.**

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

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

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

898 (b) *Remedies for Default.*

899 (i) When any Event of Default occurs, any Registered Owner or the Registered  
900 Owner's authorized representative, including a trustee or trustees, may proceed against the  
901 City, or any official, officer or employee of the City in their official capacity, for the purpose  
902 of protecting and enforcing the rights of the Registered Owners under this Ordinance, by  
903 mandamus or other suit, action or special proceeding in equity or at law, in any court of  
904 competent jurisdiction, for any relief permitted by law, including the specific performance  
905 of any covenant or agreement contained in this Ordinance, or to enjoin any act or thing that  
906 may be unlawful or in violation of any right of the Registered Owners or any combination  
907 of remedies only as authorized by law.

908 (ii) All default proceedings shall be instituted and maintained for the equal  
909 benefit of all Registered Owners of outstanding Certificates.

910 (c) *Remedies Not Exclusive.*

911 (i) No remedy in this Ordinance is exclusive of any other available remedy, but  
912 each remedy shall be cumulative and shall be in addition to every other remedy given in this  
913 Ordinance or under the Certificates; however, there is no right to accelerate the debt  
914 evidenced by the Certificates.

915 (ii) The exercise of any remedy in this Ordinance shall not be considered a  
916 waiver of any other available remedy.

917 (iii) By accepting the delivery of a Certificate authorized under this Ordinance,  
918 the Registered Owner agrees that the certifications required to effect any covenants or  
919 representations contained in this Ordinance do not and shall never constitute or give rise to  
920 a personal or pecuniary liability or charge against the officers or employees of the City or  
921 Council.

922 (iv) None of the members of Council, nor any other official or officer, agent, or  
923 employee of the City, shall be charged personally by the Registered Owners with any  
924 liability, or be held personally liable to the Registered Owners under any term or provision  
925 of this Ordinance, or because of any Event of Default or alleged Event of Default under  
926 this Ordinance.

927 **PART 19. OFFICIALS MAY ACT ON BEHALF OF THE CITY.**

928 (a) The Mayor, the Mayor Pro Tem, the City Clerk, the City Manager, any Assistant  
929 City Manager, the Chief Financial Officer, or any Deputy Chief Financial Officer, the Director of  
930 Financial Services and all other officers, employees, and agents of the City, and each of them, shall  
931 be authorized, empowered, and directed to do and perform all acts and things and to execute,  
932 acknowledge, and deliver in the name and under the seal and on behalf of the City all instruments  
933 as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance,  
934 the Certificates, the Official Bid Form or Purchase Agreement, the offering documents prepared  
935 in connection with the sale of the Certificates, or the Paying Agent/Registrar Agreement. In case  
936 any officer whose signature appears on any Certificate shall stop being the officer before the  
937 delivery of the Certificate, the signature shall nevertheless be valid and sufficient for all purposes  
938 as if he or she had remained in office until the delivery.

939 (b) The Mayor, the Mayor Pro Tem and any Authorized Representative are each  
940 authorized to make or approve such revisions, additions, deletions, and variations to this Ordinance  
941 that, in their judgment and in the opinion of Bond Counsel to the City, may be necessary or  
942 convenient to carry out or assist in carrying out the purposes of this Ordinance, the Official Bid  
943 Form or the Purchase Agreement, the Paying Agent/Registrar Agreement, the Preliminary Official  
944 Statement and the final Official Statement or as may be required for approval of the Certificates  
945 by the Attorney General of Texas.

946 (c) Any duty, responsibility, privilege, power or authority conferred by this Ordinance  
947 upon an officer shall extend to an individual who occupies such office in an interim, acting or  
948 provisional capacity.

949           **PART 20.     RULES OF CONSTRUCTION.**

950           For all purposes of this Ordinance, unless the context requires otherwise, all references to  
951 designated PARTS and other subdivisions are to the PARTS and other subdivisions of this  
952 Ordinance. Except where the context otherwise requires, terms defined in this Ordinance to impart  
953 the singular number shall be considered to include the plural number and vice versa. References  
954 to any office, position or title shall include the person holding the office in an interim, acting or  
955 permanent capacity. References to any named person shall mean that party and his or her  
956 successors and assigns. References to any constitutional, statutory or regulatory provision means  
957 the provision as it exists on the date this Ordinance is adopted by the City. Any reference to the  
958 payment of principal in this Ordinance shall include the payment of any mandatory sinking fund  
959 redemption payments as described in this Ordinance. Any reference to “Form of Certificate” refers  
960 to the form of the Certificates in Exhibit A to this Ordinance. The titles and headings of the PARTS  
961 and subsections of this Ordinance have been inserted for convenience of reference only and are  
962 not a part of this Ordinance and shall not in any way modify or restrict any of its terms or  
963 provisions.

964           **PART 21.     CONFLICTING ORDINANCES REPEALED.**

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

966           **PART 22.     IMMEDIATE EFFECT.**

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

969                           [The remainder of this page is intentionally left blank.]

**PASSED AND APPROVED AND EFFECTIVE JULY 24, 2025.**

---

Kirk Watson,  
Mayor, City of Austin, Texas

ATTEST:

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Erika Brady,  
City Clerk, City of Austin, Texas

(SEAL)

APPROVED:

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Deborah Thomas,  
City Attorney, City of Austin, Texas

**EXHIBIT A**

Form of Certificate

NO. R-\_\_

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

UNITED STATES OF AMERICA  
STATE OF TEXAS  
CITY OF AUSTIN, TEXAS  
CERTIFICATE OF OBLIGATION, SERIES 2025

Maturity Date      Interest Rate      Dated Date      CUSIP No.  
—                      \_\_\_\_\_%      October 2, 2025

ON THE MATURITY DATE SPECIFIED ABOVE, THE CITY OF AUSTIN, TEXAS (the “City”), in the Counties of Travis, Williamson and Hays, hereby promises to pay to

\_\_\_\_\_

or to the registered assignee hereof (either being hereinafter called the “registered owner”) the principal amount of:

\_\_\_\_\_ DOLLARS

and to pay interest thereon, from the Dated Date specified above, to the Maturity Date specified above, or the date of its redemption prior to scheduled maturity, at the rate of interest per annum specified above, with said interest being payable on March 1, 2026, and semiannually on each September 1 and March 1 thereafter; except that if the Paying Agent/Registrar’s Authentication Certificate appearing on the face of this Certificate is dated later than March 1, 2026, such interest is payable semiannually on each September 1 and March 1 following such date.

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

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

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

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

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

THIS CERTIFICATE is one of a series of Certificates of like tenor and effect except as to number, principal amount, interest rate, maturity and option of redemption, dated as of the Dated Date specified above, authorized in accordance with the Constitution and laws of the State of Texas in the aggregate principal amount of \$\_\_\_\_\_, for the purpose of providing funds with which to pay contractual obligations to be incurred by the City, to-wit: making and acquiring various public improvements for the City, as described in the Ordinance, and the payment of fiscal, engineering and legal fees incurred in connection therewith.

ON SEPTEMBER 1, 20\_\_\_, or on any date thereafter, the Certificates of this series maturing on September 1, 20\_\_\_, and thereafter may be redeemed prior to their scheduled maturities, at the option of the City, in whole, or in part, at a price equal to the principal amount thereof, without premium, plus accrued interest to the date fixed for redemption. The years of maturity of the Certificates called for redemption at the option of the City prior to stated maturity shall be selected by the City. The Certificates or portions thereof redeemed within a maturity shall be selected by lot or other customary random selection method by the Paying Agent/Registrar; *provided*, that during any period in which ownership of the Certificates is determined only by a book entry at a securities depository for the Certificates, if fewer than all of the Certificates of the same maturity and bearing the same interest rate are to be redeemed, the particular Certificates of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and the securities depository.

THE CERTIFICATES of this Series maturing on September 1, 20\_\_ (the "Term Certificates") are subject to mandatory redemption prior to maturity, and shall be redeemed in part prior to maturity at the price of par and accrued interest thereon to the date of redemption, and without premium, on the dates and in the principal amounts as follows:

<u>Certificates Maturing September 1, 20__</u>	
<u>Redemption Date</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount (\$)</u>
20__	
20__	
20__	
20__	
20__*	

\*Stated Maturity

The principal amount of Term Certificates of a stated maturity required to be redeemed on any mandatory redemption date pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the City, by the principal amount of any Term Certificate of the same maturity which, at least 45 days prior to a mandatory redemption date shall have been (1) acquired by the City at a price not exceeding the principal amount of such Term Certificate plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, (2) purchased and canceled by the Paying Agent/Registrar at the request of City at a price not exceeding the principal amount of such Term Certificate plus accrued interest to the date of purchase, or (3) redeemed pursuant to the related optional redemption provisions and not theretofore credited against a mandatory redemption requirement.

AT LEAST thirty (30) days prior to the date fixed for any redemption, a written notice of redemption shall be given to the registered owner of each Certificate or a portion thereof being called for redemption by depositing such notice in the United States mail, first class postage prepaid, addressed to each such registered owner at his address shown on the Registration Books of the Paying Agent/Registrar. By the date fixed for any redemption due provision shall be made by the City with the Paying Agent/Registrar for the payment of the required redemption price for this Certificate or the portion hereof which is to be so redeemed, plus accrued interest thereon to the date fixed for redemption. If notice of redemption is given, and if due provision for such payment is made, all as provided above, this Certificate, or the portion hereof which is to be so redeemed, thereby automatically shall be redeemed prior to its scheduled maturity, and shall not bear interest after the date fixed for its redemption, and shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price plus accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the funds provided for payment. The Paying Agent/Registrar shall record in the Registration Books all redemptions of principal of this Certificate or any portion hereof. If a portion of any Certificate shall be redeemed, a substitute Certificate or Certificates having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Ordinance.

WITH RESPECT TO ANY OPTIONAL REDEMPTION of the Certificates, unless certain prerequisites to such optional redemption required by the Ordinance have been met and money sufficient to pay the principal of, premium, if any, and interest on the Certificates to be redeemed will have been received by the Paying Agent/Registrar prior to giving such notice, such notice may state that the optional redemption will, at the option of the City, be conditional upon the satisfaction of such prerequisites and receipt of such money by the Paying Agent/Registrar on or prior to the date fixed for such redemption or upon any prerequisite set forth in the notice of redemption. If a notice of conditional redemption is given and such prerequisites to the redemption are not satisfied, such notice will be of no force and effect, the City will not redeem such Certificates and the Paying Agent/Registrar will give notice in the manner in which the notice of redemption was given, to the effect that such Certificates will not be redeemed.

ALL CERTIFICATES OF THIS SERIES are issuable solely as fully registered certificates, without interest coupons, in the denomination of any integral multiple of \$5,000 (an "Authorized Denomination"). As provided in the Ordinance, this Certificate may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, and exchanged for a like aggregate principal amount of fully registered certificates, without interest coupons, payable to the appropriate registered owner, assignee, or assignees, as the case may be, having the same maturity date, and bearing interest at the same rate, in any Authorized Denomination as requested in writing by the appropriate registered owner, assignee, or assignees, as the case may be, upon surrender of this Certificate to the Paying Agent/Registrar at its Designated Payment/Transfer Office for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, this Certificate must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Certificate or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Certificate or any such portion or portions hereof is or are to be transferred and registered. The form of Assignment printed or endorsed on this Certificate may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Certificate or any portion or portions hereof from time to time by the registered owner. The one requesting such exchange shall pay the Paying Agent/Registrar's reasonable standard or customary fees and charges for exchanging any Certificate or portion thereof. The foregoing notwithstanding, in the case of the exchange of an assigned and transferred Certificate or Certificates or any portion or portions thereof, such fees and charges of the Paying Agent/Registrar will be paid by the City. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, or exchange as a condition precedent to the exercise of such privilege. In any circumstance, neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Certificate so selected for redemption, in whole or in part, within forty-five (45) calendar days of the date fixed for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the registered owner of the uncalled principal of a Certificate.

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

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

IT IS HEREBY CERTIFIED AND RECITED that this Certificate has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Certificate have been performed, existed, and been done in accordance with law; that this Certificate is a direct obligation of the City, issued on the full faith and credit thereof, that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Certificate, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in the City, and have been pledged for such payment, within the limits prescribed by law, and that a limited pledge (not to exceed \$1,000) of the surplus revenues from the operation of the City's solid waste disposal system remaining after payment of all operation and maintenance expenses thereof and any other obligations heretofore or hereafter incurred to which such revenues have been or shall be encumbered by a lien on and pledge of such revenues superior to the lien on and pledge of such revenues to the Certificates, have been pledged as additional security for the Certificates.

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

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

---

Erika Brady,  
City Clerk, City of Austin, Texas

---

Kirk Watson,  
Mayor, City of Austin, Texas

(SEAL)

\* \* \* \* \*

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE:

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Certificate is not accompanied by an executed Registration Certificate of the Comptroller of Public Accounts of the State of Texas)

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

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

U.S. Bank Trust Company, National Association,  
Dallas, Texas  
Paying Agent/Registrar

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

\* \* \* \* \*

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

OFFICE OF COMPTROLLER :  
: REGISTER NO. \_\_\_\_\_  
STATE OF TEXAS :

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

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

\_\_\_\_\_  
Comptroller of Public Accounts of the  
State of Texas

(SEAL)

\* \* \* \* \*

FORM OF ASSIGNMENT:

ASSIGNMENT

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

---

Please insert Social Security or Taxpayer Identification Number of Transferee

\_\_\_\_\_  
/\_\_\_\_\_/

---

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

---

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

---

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

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

Signature Guaranteed:

---

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

---

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

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

- (i) immediately under the name of the note the headings "Maturity Date", "Interest Rate", "Dated Date" and "CUSIP No." shall be omitted; and
- (ii) Paragraph one shall read as follows:

Registered Owner:

Principal Amount:

Dated Date: October 2, 2025

ON THE MATURITY DATE SPECIFIED ABOVE, THE CITY OF AUSTIN, TEXAS (the "City"), in the Counties of Travis, Williamson and Hays, promises to pay to the Registered Owner named above, or the registered assigns thereof, the Principal Amount hereinabove stated on September 1 in each of the years and in principal installments in accordance with the following schedule:

<u>Maturity(9/1)</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		
2042		
2043		
2044		
2045		

and to pay interest thereon, from the Dated Date specified above, to the Maturity Date specified above, or the date of its redemption prior to scheduled maturity, at the rate of interest per annum specified above, with said interest being payable on March 1, 2026, and semiannually on each September 1 and March 1 thereafter; except that if the Paying Agent/Registrar's Authentication Certificate appearing on the face of this Certificate is dated later than March 1, 2026, such interest is payable semiannually on each September 1 and March 1 following such date.

## **SCHEDULE I**

The following projects are to be funded with the proceeds of the Certificates:

1. acquiring, constructing, renovating and equipping public safety facilities, including fire and emergency medical service stations;
2. acquiring, constructing, renovating, and equipping municipal park and recreational improvements, including parkland and open space, hiking trails, pedestrian bridges and related infrastructure for such improvements;
3. acquiring, constructing, renovating and equipping administrative offices for the City;
4. acquiring, constructing, renovating and equipping drainage improvements in the City, including improvement to Longhorn Dam;
5. acquiring, constructing and improving streets, roads, alleys, bike lanes and sidewalks, and related utility relocation, drainage, signalization, landscaping, lighting and signage;
6. acquiring, constructing, renovating, installing and equipping water and wastewater utility improvements;
7. acquiring, constructing, renovating, installing and equipping electric utility improvements;
8. acquiring land and interests in land necessary for such projects; and
9. paying legal, fiscal, engineering and architectural fees in connection with such projects.